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Uniform System of Accounts for Natural Gas Companies

Title 18—CONSERVATION OF POWER

Chapter I—Federal Power Commission

SUBCHAPTER F—ACCOUNTS, NATURAL GAS ACT

[Order No. 219; Docket No. R–174]

PART 201—UNIFORM SYSTEM OF ACCOUNTS FOR NATURAL GAS COMPANIES

This Commission has had under consideration in this proceeding the revision of its Uniform System of Accounts Prescribed for Class A and Class B Natural Gas Companies, Part 201, Chapter I, Title 18, Code of Federal Regulations (CFR). That System of Accounts, as revised, is prescribed hereinafter to become effective January 1, 1961.

Part 201, §§ 201.01–1—201.906, corresponds to, and appears at pp. 3–159 of the Commission's pamphlet publication of its Uniform System of Accounts Prescribed for Natural Gas Companies Subject to the Provisions of the Natural Gas Act, effective January 1, 1940, revised to January 1, 1954,[1] as amended by Order No. 203 issued May 29, 1958 (23 F.R. 4164, June 12, 1958). The System of Accounts, as revised and prescribed hereinafter, follows the numbering system (accounts, instructions, definitions, etc.) used in the Commission's pamphlet edition referred to above.

Important developments in the natural gas industry since the adoption of the Uniform System of Accounts effective January 1, 1940, and the Commission's experience over the intervening 20 years, indicated the need for a revision of the System of Accounts. Accordingly, this proceeding was commenced by Notice of Proposed Rulemaking served upon interested parties, including State and Federal regulatory agencies, and by publication in the FEDERAL REGISTER on May 30, 1959 (24 F.R. 4391). Copies of a proposed revised System of Accounts were served and published as a part of that general notice, and an Amended Notice of Proposed Rulemaking was issued on June 23, 1959 (24 F.R. 5312, June 30, 1959).

Generally speaking, the revisions of the Commission's System of Accounts, as then proposed, are prescribed hereinafter as a part of the Commission's System of Accounts to become effective January 1, 1961. Additional revisions and modifications of those previously proposed, are detailed hereinafter.

Overall, the more significant changes and improvements to be found in the revised System of Accounts prescribed herein are as follows:

(a) Redefinition of the size classification of natural gas companies to permit more simplified accounting requirements for smaller companies;

(b) Provisions of certain needed new accounts; i.e., inclusion in transmission function of plant and expense accounts for transmission communications facilities; addition to products extraction function of account for gas processed by others; inclusion in other gas supply expenses of account for exchange gas; addition to storage expenses of accounts for purification expenses, gas losses and exploration and development expense; inclusion of accounts for load dispatching in the transmission and distribution functions; supplanting plant and expense accounts for city gate and main line measuring stations by new provisions permitting alternative use of transmission or distribution functional classifications in appropriate circumstances; relocation of inventory account for noncurrent gas in storage from detailed plant classifications to separate account in balance sheet plant section;

(c) Rearrangement of certain accounts, inclusion of items lists and improvement of account texts;

(d) Rearrangement of balance sheet and certain other accounts to make them more informative;

(e) Reduction in number of expense account classifications, mainly but not entirely, by the discontinuance of segregations of numerous functional accounts as to labor and other expenses;

(f) Expansion of items lists of account texts and clearer description of such items according to their functional nature, to facilitate use and consistency of respective account classifications;

(g) Restatements of the accounting aspects of certain accounting interpretations issued in the past;

(h) Condensation of plant and expense classifications for manufactured gas operations;

(i) Rearrangement and improvement in accounts for inventories of natural gas in storage.

None of these changes affect, adversely, the basic principles, generally, of the Commission's existing System of Accounts. They remain undisturbed.

In recommending the form of revised System of Accounts accompanying the Notice of Proposed Rulemaking in this proceeding, the staff of the Commission correlated its activities with the activities of the National Association of Railroad and Utility Commissioners (NARUC) which has recently prepared a revised form of the NARUC's Uniform System of Accounts for Class A and Class B Gas Utilities. This was done to promote continued consistency and uniformity of approach to the common problems with which the two accounting systems are concerned; and to assure a minimum amount of deviation where the two accounting systems do differ. The staff's activities in this regard were undertaken mainly with the Committee on Statistics and Accounts of the NARUC.

Subsequent to the general public notice of proposed rulemaking in this proceeding on May 30, 1959[2] comments and suggestions were filed by the following respondents:

State Public Service Commission (Missouri)	1
Natural Gas Companies	19
Public Accounting Firms	2
Legal Firm	1
Total	23

These comments, criticisms, and suggestions covered a wide spectrum. Some respondents objected to any general revision of the effective System of Accounts as unnecessary, expensive, and time-consuming. Also, issue was taken with some definitions of basic terms. Other respondents urged basic changes in the accounting requirements for income taxes and other matters contrary to settled Commission policy and decisions. Objections were made to the specificity of the records requirements for depreciation and certain other accounts. Some respondents further suggested that this Commission completely abandon its cost accounting policies in favor of a fair value concept of depreciation.

In reviewing all of the responses, the staff of this Commission again correlated its activities with those of the NARUC Committee on Statistics and Accounts at a conference held December 8, 9, and 10, 1959. Thereafter, the staff presented its recommendations in this matter to the Commission. The staff recommends Commission adoption of the revised System of Accounts as proposed in the Notice of Proposed Rulemaking initiating this proceeding as amended by the Amended Notice of Proposed Rulemaking issued June 23, 1959 (24 F.R. 5312, June 30, 1959), with the following further revisions or modifications (page citations are to Volume 24 of the FEDERAL REGISTER, issue of May 30, 1959):

Page 4393: *Definition 25, "Retirement Units":* Change word "utility" in the next to last line of text to "gas"

Page 4393: *General Instruction 3, Numbering System:* Delete present paragraph C. Substitute the following revision:

C. The numbers prefixed to account titles are to be considered as part of the titles. Each utility, however, may adopt for its own purposes a different system of account numbers (see also General Instruction 2D) provided that the numbers herein prescribed shall appear in the descriptive headings of the ledger accounts and in the various sources of original entry; however, if a utility uses a different group of account numbers and it is not practicable to show the prescribed account numbers in the various sources of original entry, such reference to the prescribed account numbers may be omitted from the various sources of original entry. Moreover, each utility using different account numbers for its own purposes shall keep readily available a list of such account numbers which it

[1] The Uniform System of Accounts effective January 1, 1940 was prescribed by Commission Order No. 69 dated November 3, 1939 (4 F.R. 4764, December 5, 1939); and was contained in the codification and reissuance of the Commission's general rules promulgated by Commission Order No. 141, December 11, 1947, effective January 1, 1948 (12 F.R. 8461).

[2] All parties were given to and including July 1, 1959, later extended to and including September 30, 1959 (24 F.R. 5312, June 30, 1959), to submit data, views, and comments in writing concerning the aforesaid proposed revision in the Commission's then effective Uniform System of Accounts.

uses and a reconciliation of such account numbers with the account numbers provided herein. It is intended that the utility's records shall be so kept as to permit ready analysis by prescribed accounts (by direct reference to sources of original entry to the extent practicable) and to permit preparation of financial and operating statements directly from such records at the end of each accounting period according to the prescribed accounts.

Pages 4394–4395: *Gas Plant Instruction 1. Classification of Gas Plant at Effective Date of System of Accounts:* In paragraph C, third sentence, add word "if" after phrase "contributions in aid of construction". Sentence will then read "* * * provisions for depreciation and amortization and contributions in aid of construction if recorded by the accounting utility * * *."

Page 4396: *Gas Plant Instruction 5. Gas Plant Purchased or Sold:* Delete present paragraph B(4). Substitute the following revision:

(4) The amount of contributions in aid of construction applicable to the property acquired, shall be charged to account 102, Gas Plant Purchased or Sold, and concurrently credited to account 271, Contributions in Aid of Construction, unless otherwise authorized by the Commission.

Page 4398: *Gas Plant Instruction 9. Equipment:* Paragraph B, fourth line, change ($50 or less) to read "(for example, $50 or less)".

Page 4399: *Gas Plant Instruction 11. Work Order and Property Record System Required:* Change paragraph C to read:

C. Each utility shall maintain records in which, for each plant account, the amounts of the annual additions and retirements, subsequent to the effective date of this system of accounts, are classified so as to show the number and cost of the various record units or retirement units.

Page 4400: *Operating Expense Instruction 3. Rents:* Delete the Note following paragraph D.

Page 4401: *Balance Sheet Accounts:* Change title of *Account 151* to *"Fuel Stock"*.

Change title of *Account 152* to *"Fuel Stock Expenses Undistributed"*.

Change title of *Account 163* to *"Stores Expense Undistributed"*.

Change title of *Account 173* to *"Accrued Utility Revenues"*.

Change title of reference *11* to *"Accumulated Deferred Income Taxes"*.

Change title of *Account 281* to *"Accumulated Deferred Income Taxes—Accelerated Amortization"*.

Change title of *Account 282* to *"Accumulated Deferred Income Taxes—Liberalized Depreciation"*.

Change title of *Account 283* to *"Accumulated Deferred Income Taxes—Other."*

Page 4402: *Account 108, Accumulated Provisions for Depreciation of Gas Plant in Service:* Delete the following in paragraph A(1): "or account 915, Cost and Expenses of Merchandising, Jobbing, and Contract Work,".

Pages 4403–4404: *Account 117, Gas Stored Underground-Noncurrent:* At the end of the text material of Account 117 add the following note: "NOTE: If with respect to any storage reservoir, the utility determines that a portion of the stored gas included in this account will not eventually be fully recovered, it may submit for consideration of the Commission, a plan to create a reserve to provide for such anticipated gas losses."

Page 4404: *Account 124, Other Investments:* Change reference sentence at end of paragraph B to read: "(see also account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, and account 217, Reacquired Capital Stock)".

Page 4405: *Account 142, Customer Accounts Receivable:* Change paragraph B to read, "This account shall be maintained so as to permit ready segregation of the amounts due for merchandising, jobbing, and contract work."

Page 4406: *Account 151, Fuel:* Change title of *Account 151* to *"Fuel Stock."*

Page 4406: *Account 152, Fuel Stock Expenses:* Change title of *Account 152* to *"Fuel Stock Expenses Undistributed."*

Page 4406: *Account 154, Plant Materials and Operating Supplies:* Change first sentence of paragraph A to read: "A. This account shall include the cost of materials purchased primarily for use in the utility business for construction, operation and maintenance purposes."

Page 4406: *Account 154, Plant Materials and Operating Supplies:* Change title reference in last line of note to "account 163, Stores Expense Undistributed."

Page 4406: *Account 163, Stores Expense:* Change title of *Account 163* to *"Stores Expense Undistributed"*. Change reference to Account 152 in last line of paragrap.. B to "account 152, Fuel Stock Expenses Undistributed."

Page 4407: *Account 181, Unamortized Debt Discount and Expense:* In paragraph E, twelfth line, place a period after the word "redemption" and delete the following: "after reducing the aggregate of such amounts by an amount equal to the saving in income taxes from the refunding transactions, as to which a special charge of similar amount shall be entered in account 428, Amortization of Debt Discount and Expense."

Page 4409: *Account 213, Discount on Capital Stock; Account 214, Capital Stock Expense:* In paragraph B, line 10 of the above accounts, place a period after "account 210" and delete the following: ", and provided, further, that in no event shall debits in excess of accumulated credits from the retirement of stock be charged to account 210."

Page 4409: *Account 217, Reacquired Capital Stock:* In paragraph B, line 15, of the above account, place a period after "account 210" and delete the following: ", and provided, further, that in no event shall debits in excess of accumulated credits from the retirement of stock be charged to account 210."

Page 4411: *Account 281, Accumulated Deferred Taxes on Income—Accelerated Amortization:* Change title of *Account 281* to *"Accumulated Deferred Income Taxes—Accelerated Amortization"* and change first sentence of paragraph A to read: "A. This account shall be credited and account 410, Provision for Deferred Income Taxes, shall be * * *".

Change first sentence of paragraph B to read: "B. This account shall be debited and account 411, Income Taxes Deferred in Prior Years—Credit, shall be * * *".

Change fourth and third lines from end of paragraph E to read: "* * * account 411, Income Taxes Deferred in Prior Years—Credit * * *."

Page 4411: *Account 282, Accumulated Deferred Taxes on Income—Liberalized Depreciation:* Change title of *Account 282* to *"Accumulated Deferred Income Taxes—Liberalized Depreciation"* and change first sentence of paragraph A to read: "A. This account shall be credited and account 410, Provision for Deferred Income Taxes, shall be * * *"

Change first sentence of paragraph B to read: "B. This account shall be debited and account 411, Income Taxes Deferred in Prior Years—Credit, shall be * * *"

Change fourth and third lines from end of paragraph E to read: "* * * account 411, Income Taxes Deferred in Prior Years—Credit * * *".

Pages 4411–4412: *Account 283, Accumulated Deferred Taxes on Income—Other:* Change title of *Account 283* to *"Accumulated Deferred Income Taxes—Other."*

Change fourth and fifth lines of paragraph A to read: "* * * and account 410, Provision for Deferred Income Taxes * * *".

Change third and fourth lines of paragraph B to read: "* * * debited and account 411, Income Taxes Deferred in Prior Years—Credit".

Change fourth and third lines from end of paragraph D to read: "* * * Income Taxes Deferred in Prior Years—Credit * * *".

Page 4419: *Account 376, Mains:* Change item 23 of Account 376 to read: "Valves not associated with pumping or regulating equipment."

Page 4421: *Income Accounts:* Change title of *Account 410* to: *"Provision for Deferred Income Taxes."*

Change title of *Account 411* to: *"Income Taxes Deferred in Prior Years—Credit."*

Page 4423: *Account 410, Provision for Deferred Taxes on Income:* Change title of Account to *"Provision for Deferred Income Taxes."*

Change reference to Account 411 in third to last line of text of account to read: "account 411, Income Taxes Deferred in Prior Years—Credit."

Page 4423: *Account 411, Taxes on Income Deferred in Prior Years—Credit:* Change title of *Account 411* to *"Income Taxes Deferred in Prior Years—Credit."*

Change reference to Account 410 in last line of text of account to read: "Provision for Deferred Income Taxes."

Page 4424: Following the text of *Account 426, Other Income Deductions* add the following note: "NOTE: The classification of expenses as nonoperating and their inclusion in this account is for accounting purposes. It does not preclude

Commission consideration of proof to the contrary for ratemaking or other purposes."

Page 4424: *Account 434, Miscellaneous Credits to Surplus:* After the first full sentence of Account 434, add the following sentence: "If an amount otherwise required by the Uniform System of Accounts to be credited to this account is not significant with respect to net income determination for the year, it may be credited to the appropriate nonoperating income account. (See also General Instruction 7, Delayed Items.)".

Page 4424: *Account 435, Miscellaneous Debits to Surplus:* After the first full sentence of Account 435, add the following sentence: "If an amount otherwise required by the Uniform System of Accounts to be charged to this account is not significant with respect to income determination for the year, it may be charged to the appropriate nonoperating income deduction account. (See also General Instruction 7, Delayed Items.)".

Page 4425: *Account 483, Sales for Resale:* Add the following note after paragraph B: "Note: Revenues from gas supplied to other public utilities for use by them and not for distribution, shall be included in account 481, Commercial and Industrial Sales, unless supplied under the same contract as and not readily separable from revenues includible in this account".

Page 4427: *Account 702, Boiler Fuel;* Page 4429: *Account 720, Producer Gas Fuel;* Page 4429: *Account 721, Water Gas Generator Fuel;* Page 4429: *Account 725, Coal Carbonized in Coke Ovens;* Page 4429; *Account 726, Oil for Water Gas;* Page 4429: *Account 727, Oil for Oil Gas;* Page 4429: *Account 728, Liquefied Petroleum Gas;* Page 4429: *Account 729, Raw Materials for Other Gas Processes;* Page 4431: *Account 755, Field Compressor Station Fuel and Power;* Page 4435: *Account 819, Compressor Station Fuel and Power;* Page 4438: *Account 855, Other Fuel and Power for Compressor Stations;* Page 4439: *Account 873, Compressor Station Fuel and Power:* At the end of paragraph B of the above accounts, add the following sentence: "Respective amounts of fuel stock and fuel stock expenses shall be readily available."

Starting with the fourth line of the note, included in the text of the above accounts, change the reference to Account 151, Fuel, to "account 151, Fuel Stock" and the reference to account 152, Fuel Stock Expenses to "account 152, Fuel Stock Expenses Undistributed."

Page 4434: *Account 800, Natural Gas Well Head Purchases; Account 801, Natural Gas Field Line Purchases:* After paragraph B of the above accounts, add the following note:

Note: If gas purchases are made under one contract covering both well head and field line purchases and such amounts are not readily separable, the utility may classify such purchases according to predominant source or according to a reasonable estimate.

Page 4434: *Account 807, Purchased Gas Expenses:* In paragraph D of Account 807, delete the sub-accounts as shown and substitute the following revisions:

807.1 Wells expenses—purchased gas.
807.2 Operation of purchased gas measuring stations.
807.3 Maintenance of purchased gas measuring stations.
807.4 Purchased gas calculations expenses.
807.5 Other purchased gas expenses.

Page 4437: *Account 854, Gas for Compressor Station Fuel:* In the third line of paragraph B, delete the following phrase: "the average Btu content".

Page 4431: *Account 755, Field Compressor Station Fuel and Power;* Page 4435: *Account 819, Compressor Station Fuel and Power;* Page 4438: *Account 855, Other Fuel and Power for Compressor Stations;* Page 4439: *Account 873, Compressor Station Fuel and Power:* In the fourth and fifth lines of paragraph B of the above accounts, delete the following phrase: "the average Btu content per fuel unit".

Page 4442: *Account 913, Advertising Expense:* Change the last three lines of note B to read: "accounts 416 or 915, as appropriate, on the basis of space, time or other proportional factors."

Page 4443: *Account 924, Property Insurance:* In note B(1) change reference to Account 163 to: "account 163, Stores Expense Undistributed".

The Commission recognizes that some burden and expense will have to be borne by the accounting and reporting parties affected in connection with the transition from the present to the revised System of Accounts. However, the Commission is of the opinion that the physical burden and monetary cost of the changeover is of minor importance when viewed in relation to the immediate and future benefits to be derived from the revised System of Accounts, as prescribed herein.

For the convenience of all parties concerned, attached Appendix A set forth below correlates the account titles of the Commission's Uniform System of Accounts Prescribed for Natural Gas Companies Subject to the Provisions of the Natural Gas Act, effective January 1, 1940 with the revised System of Accounts prescribed herein effective January 1, 1961. Being a schematic presentation only, and of a very general nature, nothing contained therein shall be construed as in any way modifying the general or specific account titles, texts, and instructions of either of the Systems of Accounts.

Also, it should be noted that for the period of time required for the preparation and publication of the revised System of Accounts prescribed herein in pamphlet form, the revised System of Accounts (18 CFR §§ 201.01–1—201.906) will be available in the printed form set forth below as Appendix B.

The Commission finds:

(1) In view of the foregoing, and upon consideration of all relevant matters presented, it is necessary and appropriate for the purposes of the Natural Gas Act that the proposed revised System of Accounts as set forth in the Notice of Proposed Rulemaking (24 F.R. 4391–4445), as amended by the Amended Notice of Proposed Rulemaking (24 F.R. 5312), and as modified by the changes set forth above, be adopted and promulgated as this Commission's revised Uniform System of Accounts Prescribed for Natural Gas Companies Subject to the Provisions of the Natural Gas Act, effective January 1, 1961, all in the manner as hereinafter provided.

(2) Good cause exists for the adoption of the revised System of Accounts set forth herein to be effective as of January 1, 1961.

The Commission, acting pursuant to authority granted by the Natural Gas Act, as amended, particularly sections 8(a), 10, and 16 (15 U.S.C. 717g, 717i, and 717o), orders:

(A) Effective January 1, 1961, §§ 201.01–1 through 201.906, Part 201 of Subchapter F—Accounts, Natural Gas Act (18 CFR 201.01–1 through 201.906) are amended to read as provided by Appendix B set forth below.

(B) Effective January 1, 1961, all Class A and Class B Natural Gas Companies under the Natural Gas Act shall keep their accounts in the manner set forth in the revised System of Accounts appearing in Appendix B annexed hereto.

(C) The Secretary of the Commission shall cause prompt publication of this order.

Issued: June 21, 1960.

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS			BALANCE SHEET ACCOUNTS
ASSETS AND OTHER DEBITS			ASSETS AND OTHER DEBITS
1. Utility Plant			*1. Utility Plant*
Gas plant in service	100.1	101	Gas plant in service.
Gas plant leased to others	100.2	104	Gas plant leased to others.
Construction work in progress	100.3	106	Completed construction not classified—gas.
		107	Construction work in progress—gas.
Gas plant held for future use	100.4	105	Gas plant held for future use.
Gas plant acquisition adjustments	100.5	114	Gas plant acquisition adjustments.
Gas plant in process of reclassification	100.6	103	Gas plant in process of reclassification.
Gas plant adjustments	107	116	Other gas plant adjustments.
Other utility plant	108	118	Other utility plant.
2. Investment and Fund Accounts			*2. Other Property and Investment*
Other physical property	110	121	Nonutility property.
Investment in securities of associated companies	111.1	123	Investment in associated companies.
Advances to associated companies	111.2		
Other investments	112	124	Other investments.
Sinking funds	113	125	Sinking funds.
Depreciation fund	114.1	126	Depreciation fund.
Other special funds	114.2	128	Other special funds.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS			BALANCE SHEET ACCOUNTS
ASSETS AND OTHER DEBITS			ASSETS AND OTHER DEBITS
1. Utility Plant			*1. Utility Plant*
Gas plant:			
Gas plant in service	101	100.1	Gas plant in service.
Gas plant purchased or sold	102	391	Gas plant purchased.
		392	Gas plant sold.
Gas plant in process of reclassification	103	100.6	Gas plant in process of reclassification.
Gas plant leased to others	104	100.2	Gas plant leased to others.
Gas plant held for future use	105	100.4	Gas plant held for future use.
Completed construction not classified—gas	106	100.3	Construction work in progress.
Construction work in progress—gas	107		
Accumulated provision for depreciation and amortization:			
Accumulated provision for depreciation of gas plant in service.	108	250.11	Reserve for depreciation of gas plant in service.
Accumulated provision for depreciation of gas plant leased to others.	109	250.12	Reserve for depreciation of gas plant leased to others.
Accumulated provision for depreciation of gas plant held for future use.	110	250.13	Reserve for depreciation of gas plant held for future use.
Accumulated provision for amortization and depletion of producing natural gas lands and land rights.	111.1	250.21	Reserve for amortization and depletion of producing natural gas land and land rights—gas plant in service.
Accumulated provision for amortization of underground storage land and land rights.	111.2	-------	(New account).
Accumulated provision for amortization of other gas plant in service.	111.3	251.1	Reserve for amortization of other limited term gas investment—gas plant in service.
		250.22	Reserve for amortization and depletion of producing natural gas land and land rights—utility plant leased to others.
Accumulated provision for amortization and depletion of gas plant leased to others.	112	251.2	Reserve for amortization of other limited term gas investment—gas plant leased to others.
Accumulated provision for abandonment of leases.	113.1	250.3	Reserve for abandoned leases.
Accumulated provision for amortization of other gas plant held for future use.	113.2	251.3	Reserve for amortization of other limited term gas investments—gas plant held for future use.
Gas plant acquisition adjustments	114	100.5	Gas plant acquisition adjustments.
Accumulated provision for amortization of gas plant acquisition adjustments.	115	252	Reserve for amortization of gas plant acquisition adjustments.
Other gas plant adjustments	116	107	Gas plant adjustments.
Gas stored underground—noncurrent	117	344	Gas in underground storage—noncurrent.
Other utility plant	118	108	Other utility plant.
Accumulated provision for depreciation and amortization of other utility plant.	119	253	Reserve for depreciation and amortization of other property.
2. Other Property and Investments			*2. Investment and Fund Accounts*
Nonutility property	121	110	Other physical property.
Accumulated provision for depreciation and amortization of nonutility property.	122	253	Reserve for depreciation and amortization of other property.
Investment in associated companies	123	111.1	Investment in securities of associated companies.
		111.2	Advances to associated companies.
Other investments	124	112	Other investments.
Sinking funds	125	113	Sinking funds.
Depreciation fund	126	114.1	Depreciation fund.
Other special funds	128	114.2	Other special funds.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS—Continued			BALANCE SHEET ACCOUNTS—Continued
ASSETS AND OTHER DEBITS—continued			ASSETS AND OTHER DEBITS—continued
3. Current and Accrued Assets			*3. Current and Accrued Assets*
Cash	120	131	Cash.
Interest special deposits	121.1	132	Interest special deposits.
Dividend special deposits	121.2	133	Dividend special deposits.
Miscellaneous special deposits	121.3	134	Other special deposits.
Working funds	122	135	Working funds.
Temporary cash investments	123	136	Temporary cash investments.
Notes receivable	124	141	Notes receivable.
Accounts receivable—customers	125.1	142	Customer accounts receivable.
Other accounts receivable	125.2	143	Other accounts receivable.
Notes receivable from associated companies	126.1	145	Notes receivable from associated companies.
Accounts receivable from associated companies	126.2	146	Accounts receivable from associated companies.
Subscriptions to capital stock	127	-------	(Eliminated—charges to be made to account 143).
Interest and dividends receivable	128	171	Interest and dividends receivable.
Rents receivable	129	172	Rents receivable.
Accrued utility revenues	130	173	Accrued utility revenues.
Materials and supplies—gas	131.1	151	Fuel stock.
		152	Fuel stock expenses undistributed.
		153	Residuals and extracted products.
		154	Plant materials and operating supplies.
Materials and supplies—other	131.2	155	Merchandise.
		156	Other material and supplies.
Prepayments	132	165	Prepayments.
Other current and accrued assets	133	174	Miscellaneous current and accrued assets.
Gas stored underground	134	164	Gas stored underground—current.
4. Deferred Debits			*4. Deferred Debits*
Unamortized debt discount and expense	140	181	Unamortized debt discount and expense.
Extraordinary property losses	141	182	Extraordinary property losses.
Preliminary natural gas survey and investigation charges.	142.1	183.1	Preliminary natural gas survey and investigation charges.
Other preliminary survey and investigation charges.	142.2	183.2	Other preliminary survey and investigation charges.
Clearing accounts	143	184	Clearing accounts.
Retirement work in progress	144	-------	(Eliminated—charges to be made to account 108).
Other work-in-progress	145	-------	(Eliminated—charges to be made to account 186).
Other deferred debits	146	186	Miscellaneous deferred debits.
5. Capital Stock Discount and Expense			
Discount on capital stock	150	213	Discount on capital stock.
Capital stock expense	151	214	Capital stock expense.
6. Reacquired Securities			
Reacquired capital stock	152	217	Reacquired capital stock.
Reacquired long-term debt	153	222	Reacquired bonds.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS—Continued			BALANCE SHEET ACCOUNTS—Continued
ASSETS AND OTHER DEBITS—continued			ASSETS AND OTHER DEBITS—continued
3. Current and Accrued Assets			*3. Current and Accrued Assets*
Cash	131	120	Cash.
Interest special deposits	132	121.1	Interest special deposits.
Dividend special deposits	133	121.2	Dividend special deposits.
Other special deposits	134	121.3	Miscellaneous special deposits.
Working funds	135	122	Working funds.
Temporary cash investments	136	123	Temporary cash investments.
Notes receivable	141	124	Notes receivable.
		221	Notes receivable discounted.
Customer accounts receivable	142	125.1	Accounts receivable—customer.
Other accounts receivable	143	125.2	Other accounts receivable.
		127	Subscriptions to capital stock.
Accumulated provision for uncollectible accounts—credit.	144	254	Reserve for uncollectible accounts.
Notes receivable from associated companies	145	126.1	Notes receivable from associated companies.
Accounts receivable from associated companies	146	126.2	Accounts receivable from associated companies.
Fuel stock	151	131.1	Materials and supplies—gas.
Fuel stock expenses undistributed	152		
Residuals and extracted products	153		
Plant materials and operating supplies	154		
Merchandise	155	131.2	Materials and supplies—other.
Other materials and supplies	156		
Stores expense undistributed	163	902	Stores expense—clearing.
Gas stored underground—current	164	134	Gas stored underground.
Prepayments	165	132	Prepayments.
Interest and dividends receivable	171	128	Interest and dividends receivable.
Rents receivable	172	129	Rents receivable.
Accrued utility revenues	173	130	Accrued utility revenues.
Miscellaneous current and accrued assets	174	133	Other current and accrued assets.
4. Deferred Debits			*4. Deferred Debits*
Unamortized debt discount and expense	181	140	Unamortized debt discount and expense.
Extraordinary property losses	182	141	Extraordinary property losses.
Preliminary natural gas survey and investigation charges.	183.1	142.1	Preliminary natural gas survey and investigation charges.
Other preliminary survey and investigation charges.	183.2	142.2	Other preliminary survey and investigation charges.
Clearing accounts	184	143	Clearing accounts.
Temporary facilities	185	-------	New account.
Miscellaneous deferred debits	186	146	Other deferred debits.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS—Continued			BALANCE SHEET ACCOUNTS—Continued
LIABILITIES AND OTHER CREDITS			LIABILITIES AND OTHER CREDITS
7. Capital Stock			*5. Proprietary Capital*
Common capital stock	200	201	Common stock issued.
Preferred capital stock	201	204	Preferred stock issued.
Stock liability for conversion	202	203	Common stock liability for conversion.
		206	Preferred stock liability for conversion.
Premiums and assessments on capital stock	203	207	Premiums on capital stock.
Capital stock subscribed	204	202	Common stock subscribed.
		205	Preferred stock subscribed.
Installments received on capital stock	205	212	Installments received on capital stock.
8. Long-Term Debt			*6. Long-Term Debt*
Bonds	210	221	Bonds.
Receivers certificates	211	224	Other long-term debt.
Advances from associated companies—notes	212.1	223	Advances from associated companies.
Advances from associated companies—open accounts.	212.2		
Miscellaneous long-term debt	213	224	Other long-term debt.
9. Current and Accrued Liabilities			*7. Current and Accrued Liabilities*
Notes payable	220	231	Notes payable.
Notes receivable discounted	221	141	Notes receivable.
Accounts payable	222	232	Accounts payable.
Notes payable to associated companies	223.1	233	Notes payable to associated companies.
Accounts payable to associated companies	223.2	234	Accounts payable to associated companies.
Dividends declared	224	238	Dividends declared.
Matured long-term debt	225	239	Matured long-term debt.
Matured interest	226	240	Matured interest.
Customers deposits	227	235	Customer deposits.
Taxes accrued	228	236	Taxes accrued.
Interest accrued on long-term debt	229.1	237	Interest accrued.
Interest accrued on other liabilities	229.2		
Other current and accrued liabilities	230	242	Miscellaneous current and accrued liabilities.
10. Deferred Credits			*8. Deferred Credits*
Unamortized premium on debt	240	251	Unamortized premium on debt.
Customers advances for construction	241	252	Customers advances for construction.
Other deferred credits	242	253	Other deferred credits.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS—Continued			BALANCE SHEET ACCOUNTS—Continued
LIABILITIES AND OTHER CREDITS			LIABILITIES AND OTHER CREDITS
5. Proprietary Capital			*7. Capital Stock*
			14. Surplus
Common stock issued	201	200	Common capital stock.
Common stock subscribed	202	204	Capital stock subscribed.
Common stock liability for conversion	203	202	Stock liability for conversion.
Preferred stock issued	204	201	Preferred capital stock.
Preferred stock subscribed	205	204	Capital stock subscribed.
Preferred stock liability for conversion	206	202	Stock liability for conversion.
Premium on capital stock	207	203	Premiums and assessments on capital stock.
Donations received from stockholders	208	------	New account (included in account 270, capital surplus).
Reduction in par or stated value of capital stock	209	------	New account (included in account 270, capital surplus).
Gain on resale or cancellation of reacquired capital stock.	210	------	New account (included in account 270, capital surplus).
Miscellaneous paid-in-capital	211	------	New account (included in account 270, capital surplus).
Installment received on capital stock	212	205	Installments received on capital stock.
Discount on capital stock	213	150	Discount on capital stock.
Capital stock expense	214	151	Capital stock expense.
Appropriated earned surplus	215	413	Miscellaneous reservations of surplus.
Unappropriated earned surplus	216	271	Earned surplus.
Reacquired capital stock	217	152	Reacquired capital stock.
6. Long-Term Debt			*8. Long-Term Debt*
Bonds	221	210	Bonds.
Reacquired bonds	222	153	Reacquired long-term debt.
Advances from associated companies	223	212.1	Advances from associated companies—notes.
		212.2	Advances from associated companies—open accounts.
Other long-term debt	224	211	Receiver's certificates.
		213	Miscellaneous long-term debt.
7. Current and Accrued Liabilities			*9. Current and Accrued Liabilities*
Notes payable	231	220	Notes payable.
Accounts payable	232	222	Accounts payable.
Notes payable to associated companies	233	223.1	Notes payable to associated companies.
Accounts payable to associated companies	234	223.2	Accounts payable to associated companies.
Customer deposits	235	227	Customers deposits.
Taxes accrued	236	228	Taxes accrued.
Interest accrued	237	229.1	Interest accrued on long-term debt.
		229.2	Interest accrued on other liabilities.
Dividends declared	238	224	Dividends declared.
Matured long-term debt	239	225	Matured long-term debt.
Matured interest	240	226	Matured interest.
Tax collections payable	241	------	New account.
Miscellaneous current and accrued liabilities	242	230	Other current and accrued liabilities.
8. Deferred Credits			*10. Deferred Credits*
Unamortized premium on debt	251	240	Unamortized premium on debt.
Customers advances for construction	252	241	Customers advances for custruction.
Other deferred credits	253	242	Other deferred credits.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS—Continued			BALANCE SHEET ACCOUNTS—Continued
LIABILITIES AND OTHER CREDITS—continued			LIABILITIES AND OTHER CREDITS—continued
11. Reserves			*9. Operating Reserves*
Reserve for depreciation of gas plant in service	250. 11	108	Accumulated provision for depreciation of gas plant in service.
Reserve for depreciation of gas plant leased to others.	250. 12	109	Accumulated provision for depreciation of gas plant leased to others.
Reserve for depreciation of gas plant held for future use.	250. 13	110	Accumulated provision for depreciation of gas plant held for future use.
Reserve for amortization and depletion of producing natural gas land and land rights—gas plant in service.	250. 21	111. 1	Accumulated provision for amortization and depletion of producing natural gas lands and land rights.
Reserve for amortization and depletion of producing natural gas land and land rights—gas plant leased to others.	250. 22	112	Accumulated provision for amortization and depletion of gas plant leased to others.
Reserve for abandoned leases	250. 3	113. 1	Accumulated provision for abandonment of leases.
Reserve for amortization of other limited-term gas investments—gas plant in service.	251. 1	111. 3	Accumulated provision for amortization of other gas plant in service.
Reserve for amortization of other limited-term gas investments—gas plant leased to others.	251. 2	112	Accumulated provision for amortization and depletion of gas plant leased to others.
Reserve for amortization of other limited-term gas investments—gas plant held for future use.	251. 3	113. 2	Accumulated provision for amortization of other gas plant held for future use.
Reserve for amortization of gas plant acquisition adjustments.	252	115	Accumulated provision for amortization of gas plant acquisition adjustments.
Reserve for depreciation and amortization of other property.	253	119	Accumulated provision for depreciation and amortization of other utility plant.
Reserve for uncollectible accounts	254	144	Accumulated provision for uncollectible accounts—credit.
Insurance reserve	255	261	Property insurance reserve.
Injuries and damages reserve	256	262	Injuries and damages reserve.
Employee's provident reserve	257	263	Pension and benefits reserve.
Other reserves	258	265	Miscellaneous operating reserve.
12. Contributions in Aid of Construction			*10. Contributions in Aid of Construction*
Contributions in aid of construction	265	271	Contributions in aid of construction.
13. Accumulated Deferred Taxes on Income			*11. Accumulated Deferred Income Taxes*
Accumulated deferred taxes on income—accelerated amortization.	266. 1	281	Accumulated deferred income taxes—accelerated amortization.
Accumulated deferred taxes on income—liberalized depreciation.	266. 2	282	Accumulated deferred income taxes—liberalized depreciation.
Accumulated deferred taxes on income—other	266. 3	283	Accumulated deferred income taxes—other.
14. Surplus			
		208	Donations received from stockholders.
		209	Reduction in par or stated value of capital stock.
Capital surplus	270	210	Gain on resale or cancellation of reacquired capital stock.
		211	Miscellaneous paid in capital.
Earned surplus	271	215	Appropriated earned surplus.
		216	Unappropriated earned surplus.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS—Continued			BALANCE SHEET ACCOUNTS—Continued
LIABILITIES AND OTHER CREDITS—continued			LIABILITIES AND OTHER CREDITS—continued
9. Operating Reserves			*11. Reserves*
Property insurance reserve	261	255	Insurance reserve.
Injuries and damages reserve	262	256	Injuries and damages reserves.
Pensions and benefits reserve	263	257	Employees' provident reserve.
Miscellaneous operating reserve	265	258	Other reserves.
10. Contributions in Aid of Construction			*12. Contributions in Aid of Construction*
Contributions in aid of construction	271	265	Contributions in aid of construction.
11. Accumulated Deferred Income Taxes			*13. Accumulated Deferred Taxes on Income*
Accumulated deferred income taxes—accelerated amortization.	281	266. 1	Accumulated deferred taxes on income—accelerated amortization.
Accumulated deferred income taxes—liberalized depreciation.	282	266. 2	Accumulated deferred taxes on income—liberalized depreciation.
Accumulated deferred income taxes—other	283	266. 3	Accumulated deferred taxes on income—other.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
GAS PLANT ACCOUNTS			GAS PLANT ACCOUNTS
1. Intangible Plant			*1. Intangible Plant*
Organization	301	301	Organization.
Franchises and consents	302	302	Franchises and consents.
Miscellaneous intangible plant	303	303	Miscellaneous intangible plant.
2. Production Plant			*2. Production Plant*
A. Manufactured Gas Production Plant			*A. Manufactured Gas Production Plant*
Land	311.1	304	Land and land rights.
Land rights	311.2		
Structures and improvements	312	305	Structures and improvements.
Boiler plant equipment	313	306	Boiler plant equipment.
Other power equipment	314	307	Other power equipment.
Benches and retorts	315	313	Generating equipment—other processes.
Coke ovens	316	308	Coke ovens.
Producer gas equipment	317	309	Producer gas equipment.
Water gas generating equipment	318	310	Water gas generating equipment.
Liquefied petroleum gas equipment	319	311	Liquefied petroleum gas equipment.
Other gas generating equipment	320	312	Oil gas generating equipment.
Coal, coke, and ash handling equipment	321	314	Coal, coke, and ash handling equipment.
Gas reforming equipment	322	316	Other reforming equipment.
Purification equipment	323	317	Purification equipment.
Residual refining equipment	324	318	Residual refining equipment.
Gas mixing equipment	325	319	Gas mixing equipment.
Other production equipment	326	320	Other equipment.
B.1 Natural Gas Production and Gathering Plant			*B.1 Natural Gas Production and Gathering Plant*
Natural gas producing lands	330.1	325.1	Producing lands.
Natural gas producing leaseholds	330.2	325.2	Producing leaseholds.
Natural gas rights	330.3	325.3	Gas rights.
Rights-of-way	330.4	325.4	Rights-of-way.
Other land and land rights	330.5	325.5	Other land and land rights.
Gas well structures	331.1	326	Gas well structures.
Field compressor station structures	331.2	327	Field compressor station structures.
Field measuring and regulating station structures.	331.3	328	Field measuring and regulating station structures.
Other production and gathering system structures.	331.4	329	Other structures.
Producing gas wells—well construction	332.1	330	Producing gas wells—well construction.
Producing gas wells—well equipment	332.2	331	Producing gas wells—well equipment.
Field lines	333.1	332	Field lines.
Field compressor station equipment	333.2	333	Field compressor station equipment.
Field measuring and regulating station equipment.	333.3	334	Field measuring and regulating station equipment.
Drilling and cleaning equipment	334	335	Drilling and cleaning equipment.
Purification equipment	335	336	Purification equipment.
Other production and gathering equipment	336	337	Other equipment.
B.2 Products Extraction Plant			*B.2 Products Extraction Plant*
Land	337.11	340	Land and land rights.
Land rights	337.12		
Structures and improvements	337.2	341	Structures and improvements.
Extraction and refining equipment	337.3	342	Extraction and refining equipment.
Pipelines	337.4	343	Pipelines.
Extracted products storage equipment	337.5	344	Extracted products storage equipment.
Compressor equipment	337.6	345	Compressor equipment.
Gas measuring and regulating equipment	337.7	346	Gas measuring and regulating equipment.
Other equipment	337.8	347	Other equipment.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
GAS PLANT ACCOUNTS			GAS PLANT ACCOUNTS
1. Intangible Plant			*1. Intangible Plant*
Organization	301	301	Organization.
Franchises and consents	302	302	Franchises and consents.
Miscellaneous intangible plant	303	303	Miscellaneous intangible plant.
2. Production Plant			*2. Production Plant*
A. Manufactured Gas Production Plant			*A. Manufactured Gas Production Plant*
Land and land rights	304	311.1	Land.
		311.2	Land rights.
Structures and improvements	305	312	Structures and improvements.
Boiler plant equipment	306	313	Boiler plant equipment.
Other power equipment	307	314	Other power equipment.
Coke ovens	308	316	Coke ovens.
Producer gas equipment	309	317	Producer gas equipment.
Water gas generating equipment	310	318	Water gas generating equipment.
Liquefied petroleum gas equipment	311	319	Liquefied petroleum gas equipment.
Oil gas generating equipment	312	320	Other gas generating equipment.
Generating equipment—other processes	313	315	Benches and retorts.
		320	Other gas generating equipment.
Coal, coke, and ash handling equipment	314	321	Coal, coke, and ash handling equipment.
Catalytic cracking equipment	315		New account.
Other reforming equipment	316	322	Gas reforming equipment.
Purification equipment	317	323	Purification equipment.
Residual refining equipment	318	324	Residual refining equipment.
Gas mixing equipment	319	325	Gas mixing equipment.
Other equipment	320	326	Other production equipment.
B.1 Natural Gas Production and Gathering Plant			*B.1 Natural Gas Production and Gathering Plant*
Producing lands	325.1	330.1	Natural gas producing lands.
Producing leaseholds	325.2	330.2	Natural gas producing leaseholds.
Gas rights	325.3	330.3	Natural gas rights.
Rights-of-way	325.4	330.4	Rights-of-way.
Other land and land rights	325.5	330.5	Other land and land rights.
Gas well structures	326	331.1	Gas well structures.
Field compressor station structures	327	331.2	Field compressor station structures.
Field measuring and regulating station structures.	328	331.3	Field measuring and regulating station structures.
Other structures	329	331.4	Other production and gathering system structures.
Producing gas wells—well construction	330	332.1	Producing gas wells—well construction.
Producing gas wells—well equipment	331	332.2	Producing gas wells—well equipment.
Field lines	332	333.1	Field lines.
Field compressor station equipment	333	333.2	Field compressor station equipment.
Field measuring and regulating station equipment.	334	333.3	Field measuring and regulating station equipment.
Drilling and cleaning equipment	335	334	Drilling and cleaning equipment.
Purification equipment	336	335	Purification equipment.
Other equipment	337	336	Other production and gathering equipment.
B.2 Products Extraction Plant			*B.2 Products Extraction Plant*
Land and land rights	340	337.11	Land.
		337.12	Land rights.
Structures and improvements	341	337.2	Structures and improvements.
Extraction and refining equipment	342	337.3	Extraction and refining equipment.
Pipelines	343	337.4	Pipelines.
Extracted products storage equipment	344	337.5	Extracted products storage equipment.
Compressor equipment	345	337.6	Compressor equipment.
Gas measuring and regulating equipment	346	337.7	Gas measuring and regulating equipment.
Other equipment	347	337.8	Other equipment.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
GAS PLANT ACCOUNTS—Continued			GAS PLANT ACCOUNTS—Continued
3. Storage Plant			*3. Storage Plant*
A. Underground Storage Plant			*A. Underground Storage Plant*
Underground storage land	341.1	350.1	Land.
Underground storage leaseholds	341.2	350.2	Leaseholds.
Underground storage rights	341.3	350.3	Storage rights.
Underground storage rights-of-way	341.4	350.4	Rights-of-way.
Structures and improvements	342	351	Structures and improvements.
Underground storage well construction	343.1	352	Wells.
Underground storage well equipment	343.2		
Underground storage lines	343.3	353	Lines.
Underground storage compressor station equipment.	343.4	354	Compressor station equipment.
Underground storage measuring and regulating equipment.	343.5	355	Measuring and regulating equipment.
Underground storage purification equipment	343.6	356	Purification equipment.
Other underground storage equipment	343.7	357	Other equipment.
Gas in underground storage—noncurrent	344	117	Gas stored underground—noncurrent.
B. Local Storage Plant			*B. Local Storage Plant*
Land	345.1	360	Land and land rights.
Land rights	345.2		
Structures and improvements	346	361	Structures and improvements.
Gas holders	347	362	Gas holders.
Liquefaction and regasification equipment	348	363	Other equipment.
Other local gas storage equipment	349		
4. Transmission Plant			*4. Transmission Plant*
Land	351.1	365.1	Land and land rights.
Land rights	351.2		
Structures and improvements	352	366	Structures and improvements.
Mains	353	367	Mains.
Compressor station equipment	354.1	368	Compressor station equipment.
Measuring and regulating station equipment	354.2	369	Measuring and regulating equipment.
Other transmission system equipment	355	371	Other equipment.
5. Distribution Plant			*5. Distribution Plant*
A. City Gate and Main Line Industrial Measuring and Regulating Stations			
Land	356.11	374	Land and land rights.
Land rights	356.12		
Structures and improvements	356.2	375	Structures and improvements.
Measuring and regulating station equipment	356.3	379	Measuring and regulating station equipment—City gate check stations.
B. General Distribution System Plant			
Land	357.1	374	Land and land rights.
Land rights	357.2		
Structures and improvements	358	375	Structures and improvements.
Mains	359	376	Mains.
Distribution system compressor station equipment.	360.1	377	Compressor station equipment.
Distribution system measuring and regulating station equipment.	360.2	378	Measuring and regulating station equipment—General.
Services	361	380	Services.
Meters	362	381	Meters.
Meter installations	363	382	Meter installations.
House regulators	364	383	House regulators.
House regulator installations	365	384	House regulator installations.
Industrial measuring and regulating station equipment.	366.1	385	Industrial measuring and regulation station equipment.
Other property on customers' premises	366.2	386	Other property on customers' premises.
Other distribution system equipment	367	387	Other equipment.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
GAS PLANT ACCOUNTS—Continued			GAS PLANT ACCOUNTS—Continued
3. Storage Plant			*3. Storage Plant*
A. Underground Storage Plant			*A. Underground Storage Plant*
Land	350.1	341.1	Underground storage land.
Leaseholds	350.2	341.2	Underground storage leaseholds.
Storage rights	350.3	341.3	Underground storage rights.
Rights-of-way	350.4	341.4	Underground storage rights-of-way.
Gas rights	350.5	----	New account.
Structures and improvements	351	342	Structures and improvements.
Wells	352	343.1	Underground storage well construction.
		343.2	Underground storage well equipment.
Lines	353	343.3	Underground storage lines.
Compressor station equipment	354	343.4	Underground storage compressor station equipment.
Measuring and regulating equipment	355	343.5	Underground storage measuring and regulating equipment.
Purification equipment	356	343.6	Underground storage purification equipment.
Other equipment	357	343.7	Other undergound storage equipment.
B. Local Storage Plant			*B. Local Storage Plant*
Land and land rights	360	345.1	Land.
		345.2	Land rights.
Structures and improvements	361	346	Structures and improvements.
Gas holders	362	347	Gas holders.
Other equipment	363	348	Liquefaction and regasification equipment.
		349	Other local gas storage equipment.
4. Transmission Plant			*4. Transmission Plant*
Land and land rights	365.1	351.1	Land.
		351.2	Land rights.
Rights-of-way	365.2	----	New account.
Structures and improvements	366	352	Structures and improvements.
Mains	367	353	Mains.
Compressor station equipment	368	354.1	Compressor station equipment.
Measuring and regulating station equipment	369	354.2	Measuring and regulating station equipment.
Communication equipment	370	----	New account.
Other equipment	371	355	Other transmission system equipment.
5. Distribution Plant			*5. Distribution Plant*
Land and land rights	374	356.11	Land.
		357.1	Land.
		356.12	Land rights.
		357.2	Land rights.
Structures and improvements	375	356.2	Structures and improvements.
		358	
Mains	376	359	Mains.
Compressor station equipment	377	360.1	Distribution system compressor station equipment.
Measuring and regulating station equipment—General.	378	360.2	Distribution system measuring and regulating station equipment.
Measuring and regulating station equipment—City gate check stations.	379	356.3	Measuring and regulating station equipment.
Services	380	361	Services.
Meters	381	362	Meters.
Meter installations	382	363	Meter installations.
House regulators	383	364	House regulators.
House regulator installations	384	365	House regulator installations.
Industrial measuring and regulating station equipment.	385	366.1	Industrial measuring and regulating station equipment.
Other property on customers' premises	386	366.2	Other property on customers' premises.
Other equipment	387	367	Other distribution system equipment.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
GAS PLANT ACCOUNTS—Continued			GAS PLANT ACCOUNTS—Continued
6. General Plant			*6. General Plant*
Land and land rights	370	389	Land and land rights.
Structures and improvements	371	390	Structures and improvements.
Office furniture and equipment	372	391	Office furniture and equipment.
Transportation equipment	373	392	Transportation equipment.
Stores equipment	374	393	Stores equipment.
Shop equipment	375	394	Tools, shop and garage equipment.
Laboratory equipment	376	395	Laboratory equipment.
Tools and work equipment	377	394	Tools, shop and garage equipment.
Communication equipment	378	397	Communication equipment.
Miscellaneous equipment	379	398	Miscellaneous equipment.
Other tangible property	390	399	Other tangible property.
Gas plant purchased	391	102	Gas plant purchased or sold.
Gas plant sold	392		
EARNED SURPLUS ACCOUNTS			
Credits:			Credits:
Earned surplus (at beginning of period)	271	216	Unappropriated earned surplus (at beginning of period).
Credit balance transferred from income account.	400	433	Balance transferred from income.
Miscellaneous credits to surplus	401	434	Miscellaneous credits to surplus.
Debits:			Debits:
Debit balance transferred from income account.	410	433	Balance transferred from income.
Dividend appropriations—preferred stock	411	437	Dividends declared—preferred stock.
Dividend appropriations—common stock	412	438	Dividends declared—common stock.
Miscellaneous reservations of surplus	413	436	Appropriations of surplus.
Miscellaneous debits to surplus	414	435	Miscellaneous debits to surplus.
Earned surplus (at end of period)	271	216	Unappropriated earned surplus (at end of period).
INCOME ACCOUNTS			INCOME ACCOUNTS
1. Utility Income			*1. Utility Operating Income*
Operating revenues	501	400	Operating revenues.
Operating revenue deductions:			Operating expenses:
Operating expenses	502	401	Operation expense.
		402	Maintenance expense.
Depreciation	503.1	403	Depreciation expense.
Amortization and depletion of producing natural gas land and land rights.	503.2	404.1	Amortization and depletion of producing natural gas land and land rights.
Amortization of other limited-term gas investments.	504	404.3	Amortization of other limited-term gas plant.
Amortization of gas plant acquisition adjustments.	505	406	Amortization of gas plant acquisition adjustments.
Property losses chargeable to operations	506	407.1	Amortization of property losses.
Taxes	507	408	Taxes other than income taxes.
		409	Income taxes.
Provision for deferred taxes on income	507A	410	Provision for deferred income taxes.
Taxes on income deferred in prior years—credit.	507B	411	Income taxes deferred in prior years—credit.
Income from gas plant leased to others	508	412	Income from gas plant leased to others.
		413	
Other utility operating income	509	414	Other utility operating income.
2. Other Income			*2. Other Income*
Income from merchandising, jobbing, and contract work.	520	415–416	Income from merchandising, jobbing, and contract work.
Income from nonutility operations	521	417	Income from nonutility operations.
Revenues from lease of other physical property	522	418	Nonoperating rental income.
Dividend revenues	523	419	Interest and dividend income.
Interest revenues	524		
Revenues from sinking and other funds	525		
Miscellaneous nonoperating revenues	526	421	Miscellaneous nonoperating income.
Nonoperating revenue deductions	527	----	Deleted.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
GAS PLANT ACCOUNTS—Continued			GAS PLANT ACCOUNTS—Continued
6. General Plant			*6. General Plant*
Land and land rights	389	370	Land and land rights.
Structures and improvements	390	371	Structures and improvements.
Office furniture and equipment	391	372	Office furniture and equipment.
Transportation equipment	392	373	Transportation equipment.
Stores equipment	393	374	Stores equipment.
Tools, shop and garage equipment	394	375	Shop equipment.
		377	Tools and work equipment.
Laboratory equipment	395	376	Laboratory equipment.
Power operated equipment	396	----	New account.
Communication equipment	397	378	Communication equipment.
Miscellaneous equipment	398	379	Miscellaneous equipment.
Other tangible property	399	390	Other tangible property.
(In the system of accounts effective Jan. 1, 1961, the earned surplus accounts are included with the income accounts. See below.)			
INCOME ACCOUNTS			INCOME ACCOUNTS
1. Utility Operating Income			*1. Utility Income*
Operating revenues	400	501	Operating revenues.
Operating expenses:			Operating revenue deductions:
Operation expense	401	502	Operating expenses.
Maintenance expense	402		
Depreciation expense	403	503.1	Depreciation.
Amortization and depletion of producing natural gas land and land rights.	404.1	503.2	Amortization and depletion of producing natural gas land and land rights.
Amortization of underground storage land and land rights.	404.2	----	New account.
Amortization of other limited-term gas plant	404.3	504	Amortization of other limited-term gas investments.
Amortization of other gas plant	405	----	New account.
Amortization of gas plant acquisition adjustments.	406	505	Amortization of gas plant acquisition adjustments.
Amortization of property losses	407.1	506	Property losses chargeable to operations.
Amortization of conversion expenses	407.2	----	New account.
Taxes other than income taxes	408	507	Taxes.
Income taxes	409		
Provision for deferred income taxes	410	507A	Provision for deferred taxes on income.
Income taxes deferred in prior years—credit	411	507B	Taxes on income deferred in prior years—credit.
Income from gas plant leased to others	412	508	Income from gas plant leased to others.
	413		
Other utility operating income	414	509	Other utility operating income.
2. Other Income			*2. Other Income*
Income from merchandising, jobbing, and contract work.	415–416	520	Income from merchandising, jobbing, and contract work.
Income from nonutility operations	417	521	Income from nonutility operations.
Nonoperating rental income	418	522	Revenues from lease of other physical property.
Interest and dividend income	419	523	Dividend revenues.
		524	Interest revenues.
		525	Revenues from sinking and other funds.
Miscellaneous nonoperating income	421	526	Miscellaneous nonoperating revenues.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
INCOME ACCOUNTS—Continued			INCOME ACCOUNTS—Continued
3. Income Deductions			*3. Miscellaneous Income Deductions*
			4. Interest Charges
Interest on long-term debt	530	427	Interest on long-term debt.
Amortization of debt discount and expense	531	428	Amortization of debt discount and expense.
Amortization of premium on debt—credit	532	429	Amortization of premium on debt—credit.
Taxes assumed on interest	533	431	Other interest expense.
Interest on debt to associated companies	534	430	Interest on debt to associated companies.
Other interest charges	535	431	Other interest charges.
Interest charged to construction—credit	536	432	Interest charged to construction—credit.
Miscellaneous amortization	557	425	Miscellaneous amortization.
Miscellaneous income deductions	538	426	Other income deductions.
4. Disposition of Net Income			
Miscellaneous reservations of net income	540	--------	Deleted.
OPERATING REVENUE ACCOUNTS			OPERATING REVENUE ACCOUNTS
1. Gas Service Revenues			*1. Sales of Gas*
Residential sales	600	480	Residential sales.
Commercial and industrial sales	602	481	Commercial and industrial sales.
Public street and highway lighting	603	482	Other sales to public authorities.
Other sales to public authorities	604		
Sales to other gas utilities	605	483	Sales for resale.
Interdepartmental sales	607	484	Interdepartmental sales.
Other sales	608	--------	Deleted.
2. Other Gas Revenues			*2. Other Operating Revenues*
Rent from gas property	610	493	Rent from gas property.
Interdepartmental rents	611	494	Interdepartmental rents.
Customers' forfeited discounts and penalties	612	487	Forfeited discounts.
Servicing of customers' installations	614	488	Miscellaneous service revenues.
Revenue from transportation of gas of others	615	489	Revenues from transportation of gas of others.
Gasoline sales	616.1	490	Sales of products extracted from natural gas.
Butane sales	616.2		
Propane sales	616.3		
Other extracted products sales	616.4		
Revenues from natural gas processed by others	617	491	Revenues from natural gas processed by others.
Incidental gasoline sales	618.1	492	Incidental gasoline and oil sales.
Incidental oil sales	618.2		
Miscellaneous gas revenues	619	495	Other gas revenues.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
INCOME ACCOUNTS—Continued			INCOME ACCOUNTS—Continued
3. Miscellaneous Income Deductions			*3. Income Deductions*
Miscellaneous amortization	425	537	Miscellaneous amortization.
Other income deductions	426	538	Miscellaneous income deductions.
4. Interest Charges			
Interest on long-term debt	427	530	Interest on long-term debt.
Amortization of debt discount and expense	428	531	Amortization of debt discount and expense.
Amortization of premium on debt—credit	429	532	Amortization of premium on debt—credit.
Interest on debt to associated companies	430	534	Interest on debt to associated companies.
Other interest expense	431	533	Taxes assumed on interest.
		535	Other interest charges.
Interest charged to construction—credit	432	536	Interest charged to construction—credit.
5. Earned Surplus			
Unappropriated earned surplus (at beginning of period)	216	271	Earned surplus (at beginning of period).
Balance transferred from income	433	400	Credit balance transferred from income account.
		410	Debit balance transferred from income account
Miscellaneous credits to surplus	434	401	Miscellaneous credits to surplus.
Miscellaneous debits to surplus	435	414	Miscellaneous debits to surplus.
Appropriations of surplus	436	413	Miscellaneous reservations of surplus.
Dividends declared—preferred stock	437	411	Dividend appropriations—preferred stock.
Dividends declared—common stock	438	412	Dividend appropriations—common stock.
Unappropriated earned surplus (at end of period)	216	271	Earned surplus (at end of period).
OPERATING REVENUE ACCOUNTS			OPERATING REVENUE ACCOUNTS
1. Sales of Gas			*1. Gas Service Revenues*
Residential sales	480	600	Residential sales.
Commercial and industrial sales	481	602	Commercial and industrial sales.
Other sales to public authorities	482	603	Public street and highway lighting.
		604	Other sales to public authorities.
Sales for resale	483	605	Sales to other gas utilities.
Interdepartmental sales	484	607	Interdepartmental sales.
2. Other Operating Revenues			*2. Other Gas Revenues*
Forfeited discounts	487	612	Customers' forfeited discounts and penalties.
Miscellaneous service revenues	488	614	Servicing of customers' installations.
Revenues from transportation of gas of others	489	615	Revenue from transportation of gas of others.
Sales of products extracted from natural gas	490	616.1	Gasoline sales.
		616.2	Butane sales.
		616.3	Propane sales.
		616.4	Other extracted products sales.
Revenues from natural gas processed by others	491	617	Revenues from natural gas processed by others.
Incidental gasoline and oil sales	492	618.1	Incidental gasoline sales.
		618.2	Incidental oil sales.
Rent from gas property	493	610	Rent from gas property.
Interdepartmental rents	494	611	Interdepartmental rents.
Other gas revenues	495	619	Miscellaneous gas revenues.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
OPERATING EXPENSE ACCOUNTS			OPERATION AND MAINTENANCE EXPENSE ACCOUNTS
1. Production Expenses			*1. Production Expenses*
A. Manufactured Gas Production			*A. Manufactured Gas Production Expenses*
Operation supervision and engineering	701	700	Operation supervision and engineering.
		710	Operation supervision and engineering.
Boiler and other power labor	702	701	Operation labor.
Retort labor	703.1	718	Other process production expenses.
Coke oven labor	703.2	713	Coke oven expenses.
Producer gas labor	703.3	714	Producer gas expenses.
Water gas generating labor	704.1	715	Water gas generating expenses.
Liquefied petroleum gas regasifying labor	704.2	717	Liquefied petroleum gas expenses.
Other gas generating labor	704.3	716	Oil gas generating expenses.
Gas reforming labor	704.4	718	Other process production expenses.
Purification labor	705	732	Purification expenses.
Gas mixing labor	706	733	Gas mixing expenses.
Miscellaneous production labor	707	735	Miscellaneous production expenses.
Boiler fuel	708	702	Boiler fuel.
Water	709	703	Miscellaneous steam expenses.
Fuel under retorts	710	724	Other gas fuels.
Fuel under coke ovens	711	719	Fuel under coke ovens.
Producer gas fuel	712	720	Producer gas fuel.
Fuel for liquefied petroleum gas processes	713	723	Fuel for liquefied petroleum gas process.
Coal carbonized in retorts	714.1	729	Raw materials for other gas processes.
Coal carbonized in coke ovens	714.2	725	Coal carbonized in coke ovens.
Water gas generator fuel	715	721	Water gas generator fuel.
Oil for water gas	716	726	Oil for water gas.
Gas enricher	717	729	Raw materials for other gas processes.
Liquefied petroleum gas	718	728	Liquefied petroleum gas.
Oil for oil gas	719	727	Oil for oil gas.
Raw materials for other gas processes	720	729	Raw materials for other gas processes.
Purification supplies	721	732	Purification expenses.
Miscellaneous works expenses	722	-------	(Various, see accounts effective January 1, 1961).
Maintenance:			Maintenance:
Maintenance supervision and engineering	723	705	Maintenance supervision and engineering.
		740	Maintenance supervision and engineering.
Maintenance of structures and improvements	724	706	Maintenance of structures and improvements.
		741	Maintenance of structures and improvements.
Maintenance of boiler plant equipment	725.1	707	Maintenance of boiler plant equipment.
Maintenance of other power equipment	725.2		
Maintenance of benches and retorts	726.1		
Maintenance of coke ovens	726.2		
Maintenance of producer gas equipment	726.3		
Maintenance of water gas generating equipment.	726.4	742	Maintenance of production equipment.
Maintenance of liquefied petroleum gas equipment.	726.5		
Maintenance of other gas generating equipment.	726.6		
Maintenance of coal, coke and ash handling equipment.	726.7	708	Maintenance of other steam production plant.
Maintenance of gas reforming equipment	727.1		
Maintenance of purification equipment	727.2	742	Maintenance of production equipment.
Maintenance of other gas equipment	727.3		
Miscellaneous:			
Power from other sources	728	711	Steam expenses.
Rents	729	736	Rents.
Residuals produced—credit	730.1	731	Residuals produced—Credit.
Residuals operation expenses	730.2	730	Residuals expenses.
Residuals maintenance expenses	730.3		
Joint expenses—debit	731.1	712	Other power expenses.
Joint expenses—credit	731.2	704	Steam transferred—credit.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS			OPERATING EXPENSE ACCOUNTS
1. Production Expenses			*1. Production Expenses*
A. Manufactured Gas Production Expenses			*A. Manufactured Gas Production*
A-1 Steam production			
Operation:			Operation:
Operation supervision and engineering	700	701	Operation supervision and engineering.
Operation labor	701	702	Boiler and other power labor.
		707	Miscellaneous production labor.
Boiler fuel	702	708	Boiler fuel.
Miscellaneous steam expenses	703	709	Water.
Steam transferred—credit	704	731.2	Joint expenses—credit.
Maintenance:			Maintenance:
Maintenance supervision and engineering	705	723	Maintenance supervision and engineering.
Maintenance of structures and improvements	706	724	Maintenance of structures and improvements
Maintenance of boiler plant equipment	707	725.1	Maintenance of boiler plant equipment.
Maintenance of other steam production plant	708	726.7	Maintenance of coal, coke, and ash handling equipment.
A-2 Manufactured Gas Production			
Operation:			Operation:
Operation supervision and engineering	710	701	Operation supervision and engineering.
Steam expenses	711	728	Power from other sources.
Other power expenses	712	728	Power from other sources.
		731.1	Joint expenses—debit.
Coke oven expenses	713	703.2	Coke oven labor.
		722	Miscellaneous works expenses.
Producer gas expenses	714	703.3	Producer gas labor.
		722	Miscellaneous works expenses.
Water gas generating expenses	715	704.1	Water gas generating labor.
		722	Miscellaneous works expenses.
Oil gas generating expenses	716	704.3	Other gas generating labor.
		722	Miscellaneous works expenses.
Liquefied petroleum gas expenses	717	704.2	Liquefied petroleum gas regasifying labor.
		722	Miscellaneous works expenses.
Other process production expenses	718	703.1	Retort labor.
		704.3	Other gas generating labor.
		704.4	Gas reforming labor.
		722	Miscellaneous works expenses.
Gas fuels:			Gas fuels:
Fuel under coke ovens	719	711	Fuel under coke ovens.
Producer gas fuel	720	712	Producer gas fuel.
Water gas generator fuel	721	715	Water gas generator fuel.
Fuel for oil gas	722	-------	New account.
Fuel for liquefied petroleum gas process	723	713	Fuel for liquefied petroleum gas processes.
Other gas fuels	724	710	Fuel under retorts.
Gas raw materials:			Gas raw materials:
Coal carbonized in coke ovens	725	714.2	Coal carbonized in coke ovens.
Oil for water gas	726	716	Oil for water gas.
Oil for oil gas	727	719	Oil for oil gas.
Liquefied petroleum gas	728	718	Liquefied petroleum gas.
Raw materials for other gas processes	729	714.1	Coal carbonized in retorts.
		717	Gas enricher.
		720	Raw materials for other gas processes.
Residuals expenses	730	730.2	Residuals operation expenses.
		730.3	Residuals maintenance expenses.
Residuals produced—credit	731	730.1	Residuals produced—credit.
Purification expenses	732	705	Purification labor.
		721	Purification supplies.
Gas mixing expenses	733	706	Gas mixing labor.
Duplicate charges—credit	734	-------	New account.
Miscellaneous production expenses	735	707	Miscellaneous production labor.
		722	Miscellaneous works expenses.
Rents	736	729	Rents.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
OPERATING EXPENSE ACCOUNTS—Continued			OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued
1. Production Expenses—Continued			*1. Production Expenses*—Continued
B. Natural Gas Production			*B. Natura. Gas Production*
B.1 Natural Gas Production and Gathering Operation:			*B.1 Natural Gas Production and Gathering Operation:*
Operation supervision and engineering	733.1	750	Operation supervision and engineering.
Gas well labor	733.21	752	Gas wells expenses.
Field line labor	733.22	753	Field lines expenses.
Field compressor station labor	733.23	754	Field compressor station expenses.
Field measuring and regulating station labor	733.24	756	Field measuring and regulating station expenses.
Purification labor	733.25	757	Purification expenses.
Other production and gathering labor	733.26	759	Other expenses.
Gas well supplies and expenses	733.31	752	Gas wells expenses.
Field line supplies and expenses	733.32	753	Field lines expenses.
Field compressor station supplies and expenses	733.33	754	Field compressor station expenses.
Field measuring and regulating station supplies and expenses	733.34	756	Field measuring and regulating station expenses.
Purification supplies and expenses	733.35	757	Purification expenses.
Other operating supplies and expenses	733.36	759	Other expenses.
Production maps and records	733.4	751	Production maps and records.
Maintenance:			Maintenance:
Maintenance supervision and engineering	734.1	761	Maintenance supervision and engineering.
Maintenance of gas well structures	734.21	762	Maintenance of structures and improvements.
Maintenance of Field compressor station structures.	734.22	762	Maintenance of structures and improvements.
Maintenance of field measuring and regulating station structures.	734.23	762	Maintenance of structures and improvements.
Maintenance of other production and gathering system structures.	734.24	762	Maintenance of structures and improvements.
Maintenance of producing gas well equipment	734.3	763	Maintenance of producing gas wells.
Maintenance of field lines	734.41	764	Maintenance of field lines.
Maintenance of field compressor station equipment.	734.42	765	Maintenance of field compressor station equipment.
Maintenance of field measuring and regulating station equipment.	734.43	766	Maintenance of field measuring and regulating station equipment.
Maintenance of drilling and cleaning equipment.	734.5	768	Maintenance of drilling and cleaning equipment.
Maintenance of purification equipment	734.6	767	Maintenance of purification equipment.
Maintenance of other production	734.7	769	Maintenance of other equipment.
Miscellaneous:			
Gas well royalties	735.1	758	Gas well royalties
Natural gas rents	735.2	760	Rents.
Joint expenses—debit	735.3		Deleted.
Joint expenses—credit	735.4		

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued			OPERATING EXPENSE ACCOUNTS—Continued
1. Production Expenses—Continued			*1. Production Expenses*—Continued
A. Manufactured Gas Production Expenses—Con.			*A. Manufactured Gas Production*—Con.
A-2 Manufactured Gas Production Operation—Continued			
Maintenance:			Maintenance:
Maintenance supervision and engineering	740	723	Maintenance supervision and engineering.
Maintenance of structures and improvements	741	724	Maintenance of structures and improvements.
		725.2	Maintenance of other power equipment.
		726.1	Maintenance of benches and retorts.
		726.2	Maintenance of coke ovens.
		726.3	Maintenance of producer gas equipment.
		726.4	Maintenance of water gas generating equipment.
Maintenance of production equipment	742	726.5	Maintenance of liquefied petroleum gas equipment.
		726.6	Maintenance of other gas generating equipment.
		727.1	Maintenance of gas reforming equipment.
		727.2	Maintenance of purification equipment.
		727.3	Maintenance of other gas equipment.
B. Natural Gas Production			*B. Natural Gas Production*
B.1 Natural Gas Production and Gathering Operation:			*B.1 Natural Gas Production and Gathering Operation.*
Operation supervision and engineering	750	733.1	Operation supervision and engineering.
Production maps and records	751	733.4	Production maps and records.
Gas wells expenses	752	733.21	Gas well labor.
		733.31	Gas well supplies and expenses.
Field lines expenses	753	733.22	Field line labor.
		733.32	Field line supplies and expenses.
Field compressor station expenses	754	733.23	Field compressor station labor.
		733.33	Field compressor station supplies and expenses.
Field compressor station fuel and power	755		New account.
Field measuring and regulating station expenses.	756	733.24	Field measuring and regulating station labor.
		733.34	Field measuring and regulating station supplies and expenses.
Purification expenses	757	733.25	Purification labor.
		733.35	Purification supplies and expenses.
Gas well royalties	758	735.1	Gas well royalties.
Other expenses	759	733.26	Other production and gathering labor.
		733.36	Other operating supplies and expenses.
Rents	760	735.2	Natural gas rents.
Maintenance:			Maintenance:
Maintenance supervision and engineering	761	734.1	Maintenance supervision and engineering.
		734.21	Maintenance of gas well structures.
		734.22	Maintenance of field compressor station structures.
Maintenance of structures and improvements	762	734.23	Maintenance of field measuring and regulating station structures
		734.24	Maintenance of other production and gathering system structures.
Maintenance of producing gas wells	763	734.3	Maintenance of producing gas well equipment.
Maintenance of field lines	764	734.41	Maintenance of field lines.
Maintenance of field compressor station equipment.	765	734.42	Maintenance of field compressor station equipment.
Maintenance of field measuring and regulating station equipment.	766	734.43	Maintenance of field measuring and regulating station equipment.
Maintenance of purification equipment	767	734.6	Maintenance of purification equipment.
Maintenance of drilling and cleaning equipment.	768	734.5	Maintenance of drilling and cleaning equipment.
Maintenance of other equipment	769	734.7	Maintenance of other production and gathering equipment.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
OPERATING EXPENSE ACCOUNTS—Continued			OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued
1. Production Expenses—Continued			*1. Production Expenses*—Continued
B. Natural Gas Production			*B. Natural Gas Production*
B.2 Products Extraction			*B.2 Products Extraction*
Operation:			Operation:
Operation supervision and engineering	736.1	770	Operation supervision and engineering.
Operation labor	736.2	771	Operation labor.
Gas shrinkage	736.3	772	Gas shrinkage.
Fuel	736.4	773	Fuel.
Power	736.5	774	Power.
Production materials and supplies	736.6	775	Materials.
Other supplies and expenses	736.7	776	Operation supplies and expenses.
Maintenance:			Maintenance:
Maintenance supervision and engineering	737.1	784	Maintenance supervision and engineering.
Maintenance of structure and improvements	737.2	785	Maintenance of structures and improvements.
		786	Maintenance of extraction and refining equipment.
		787	Maintenance of pipe lines.
Maintenance of equipment	737.3	788	Maintenance of extracted products storage equipment.
		789	Maintenance of compressor equipment.
		790	Maintenance of gas measuring and regulating equipment.
		791	Maintenance of other equipment.
Miscellaneous:			
Products purchased for resale	738.1	780	Products purchased for resale.
Variation in products inventory—debit or credit.	738.2	781	Variation in products inventory.
Royalties on products extracted	738.3	778	Royalties on products extracted.
Selling expenses	738.4	779	Marketing expenses.
Rents	738.5	783	Rents.
Extracted products used by the utility—credit	738.6	782	Extracted products used by the utility—credit.
Joint expenses—debit	738.7	-------	Deleted.
Joint expenses—credit	738.8	-------	
B.3 Exploration and Development			*C. Exploration and Development*
Delay rentals	739.1	795	Delay rentals.
Nonproductive well drilling	739.2	796	Nonproductive well drilling.
Abandoned leases	739.3	797	Abandoned leases.
Other exploration costs	739.4	798	Other exploration.
C. Other Gas Supply Expenses			*D. Other Gas Supply Expenses*
Operation:			Operation:
Field purchases	745.11	800	Natural gas well head purchases.
		801	Natural gas field line purchases.
Gasoline plant outlet purchases	745.12	802	Natural gas gasoline plant outlet purchases.
Pipeline purchases—transmission lines	745.13	803	Natural gas transmission line purchases.
City gate purchases	745.14	804	Natural gas city gate purchases.
Purchased gas—other gas	745.2	805	Other gas purchases.
Well expenses—purchased gas	746.1	807.1	Wells expenses—purchase gas.
Operation and maintenance of purchased gas measuring stations.	746.2	807.2	Operation of purchased gas measuring stations.
		807.3	Maintenance of purchased gas measuring stations.
Purchased gas calculations expenses	746.3	807.4	Purchased gas calculations expenses.
Other purchased gas expenses	746.4	807.5	Other purchased gas expenses.
Gas withdrawn from underground storage—debit.	747.1	808	Gas withdrawn from underground storage—debit.
Gas delivered to underground storage—credit	747.2	809	Gas delivered to underground storage—credit.
Gas used for transmission compressor fuel—credit.	748.1	810	Gas used for compressor station fuel—credit.
Gas used in products extraction process—credit	748.2	811	Gas used for products extraction—credit.
Gas for other utility uses—credit	748.3	812	Gas used for other utility operations—credit.
Other gas supply expenses	749	813	Other gas supply expenses.
Joint expenses—debit	750	-------	Deleted.
Joint expenses—credit	751	-------	Deleted.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued			OPERATING EXPENSE ACCOUNTS—Continued
1. Production Expenses—Continued			*1. Production Expenses*—Continued
B. Natural Gas Production			*B. Natural Gas Production*
B.2 Products Extraction			*B.2 Products Extraction*
Operation:			Operation:
Operation supervision and engineering	770	736.1	Operation supervision and engineering.
Operation labor	771	736.2	Operation labor.
Gas shrinkage	772	736.3	Gas shrinkage.
Fuel	773	736.4	Fuel.
Power	774	736.5	Power.
Materials	775	736.6	Production materials and supplies.
Operation supplies and expenses	776	736.7	Other supplies and expenses.
Gas processed by others	777	-------	New account.
Royalties on products extracted	778	738.3	Royalties on products extracted.
Marketing expenses	779	738.4	Selling expenses.
Products purchased for resale	780	738.1	Products purchased for resale.
Variation in products inventory	781	738.2	Variation in products inventory—debit or credit.
Extracted products used by the utility—credit.	782	738.6	Extracted products used by the utility—credit.
Rents	783	738.5	Rents.
Maintenance:			Maintenance:
Maintenance supervision and engineering	784	737.1	Maintenance supervision and engineering.
Maintenance of structures and improvements.	785	737.2	Maintenance of structures and improvements.
Maintenance of extraction and refining equipment.	786		
Maintenance of pipe lines	787		
Maintenance of extracted products storage equipment.	788	737.3	Maintenance of equipment.
Maintenance of compressor equipment	789		
Maintenance of gas measuring and regulating equipment.	790		
Maintenance of other equipment	791		
C. Exploration and Development			*B.3 Exploration and Development*
Delay rentals	795	739.1	Delay rentals.
Nonproductive well drilling	796	739.2	Nonproductive well drilling.
Abandoned leases	797	739.3	Abandoned leases.
Other exploration	798	739.4	Other exploration costs.
D. Other Gas Supply Expenses			*C. Other Gas Supply Expenses*
Operation:			Operation:
Natural gas well head purchases	800	745.11	Field purchases.
Natural gas field line purchases	801		
Natural gas gasoline plant outlet purchases	802	745.12	Gasoline plant outlet purchases.
Natural gas transmission line purchases	803	745.13	Pipe line purchases—transmission lines.
Natural gas city gate purchases	804	745.14	City gate purchases.
Other gas purchases	805	745.2	Purchased gas—other gas.
Exchange gas	806		(New account).
Wells expenses—purchased gas	807.1	746.1	Well expenses—purchased gas.
Operation of purchased gas measuring stations	807.2	746.2	Operation and maintenance of purchased gas measuring stations.
Maintenance of purchased gas measuring stations.	807.3		
Purchased gas calculations expenses	807.4	746.3	Purchased gas calculations expenses.
Other purchased gas expenses	807.5	746.4	Other purchased gas expenses.
Gas withdrawn from underground storage—debit.	808	747.1	Gas withdrawn from underground storage—debit.
Gas delivered to underground storage—credit	809	747.2	Gas delivered to underground storage—credit
Gas used for compressor station fuel—credit	810	748.1	Gas used for transmission compressor fuel—credit.
Gas used for products extraction—credit	811	748.2	Gas used in products extraction process—credit.
Gas used for other utility operations—credit	812	748.3	Gas for other utility uses—credit.
Other gas supply expenses	813	749	Other gas supply expenses.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
OPERATING EXPENSE ACCOUNTS—Continued			OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued
2. Storage Expenses			*2. Underground Storage Expenses*
A. Underground Storage Expenses			
Operation:			Operation:
Operation supervision and engineering	755. 1	814	Operation supervision and engineering.
Storage well labor	755. 21	816	Wells expenses.
Storage lines labor	755. 22	817	Lines expenses.
Storage compressor station labor	755. 23	818	Compressor station expenses.
Storage measuring and regulating station	755. 24	820	Measuring and regulating station expenses.
Other storage labor	755. 25	824	Other expenses.
Storage well supplies and expenses	755. 31	816	Wells expenses.
Storage lines supplies and expenses	755. 32	817	Lines expenses.
Storage compressor station supplies and expenses.	755. 33	818	Compressor station expenses.
Storage measuring and regulating station supplies and expenses.	755. 34	820	Measuring and regulating station expenses.
Other storage operation supplies and expenses	755. 35	824	Other expenses.
Nonoperative storage well drilling	755. 4	822	Exploration and development.
Storage maps and records	755. 5	815	Maps and records.
Maintenance:			Maintenance:
Maintenance supervision and engineering	756. 1	830	Maintenance supervision and engineering.
Maintenance of storage well structures	756. 21		
Maintenance of storage compressor station structures.	756. 22		
Maintenance of storage measuring and regulating station structures.	756. 23	831	Maintenance of structures and improvements.
Maintenance of other storage structures	756. 24		
Maintenance of storage well equipment	756. 3	832	Maintenance of wells.
Maintenance of storage lines	756. 41	833	Maintenance of lines.
Maintenance of storage compressor station equipment.	756. 42	834	Maintenance of compressor station equipment.
Maintenance of storage measuring and regulating equipment.	756. 43	835	Maintenance of measuring and regulating station equipment.
Maintenance of other storage equipment	756. 44	837	Maintenance of other equipment.
Miscellaneous:			
Storage well royalties	757. 11	825	Storage well royalties.
Storage lease rentals	757. 12		
Other storage rents	757. 13	826	Rents.
Joint expenses—debit	757. 2	-------	Deleted.
Joint expenses—credit	757. 3		
B. Local Storage Expenses			*3. Local Storage Expenses*
Operation:			Operation:
Operation supervision and engineering	758. 1	840	Operation supervision and engineering.
Operation labor	758. 2	841	Operation labor and expenses.
Operation supplies and expenses	758. 3		
Maintenance:			Maintenance:
Maintenance supervision and engineering	758. 4	843	Maintenance supervision and engineering.
Maintenance of structures and improvements	758. 5	844	Maintenance of structures and improvements.
Maintenance of gas holder	758. 6	845	Maintenance of gas holders.
Maintenance of liquefaction and regasification equipment.	758. 7	846	Maintenance of other equipment.
Maintenance of other local gas storage equipment.	758. 8		
Miscellaneous:			
Local storage rents	758. 9	842	Rents.
Joint expenses—debit	758. 10	-------	Deleted.
Joint expenses—credit	758. 11		

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued			OPERATING EXPENSE ACCOUNTS—Continued
2. Underground Storage Expenses			*2. Storage Expenses*
			A. Underground Storage Expenses
Operation:			Operation:
Operation supervision and engineering	814	755. 1	Operation supervision and engineering.
Maps and records	815	755. 5	Maps and records.
Wells expenses	816	755. 21	Storage well labor.
		755. 31	Storage well supplies and expenses.
Lines expenses	817	755. 22	Storage lines labor.
		755. 32	Storage lines supplies and expenses.
Compressor station expenses	818	755. 23	Storage compressor station labor.
		755. 33	Storage compressor station supplies and expenses.
Compressor station fuel and power	819	755. 33	Storage compressor station supplies and expenses.
Measuring and regulating station expenses	820	755. 24	Storage measuring and regulating station labor.
		755. 34	Storage measuring and regulating station supplies and expenses.
Purification expenses	821		New account.
Exploration and development	822	755. 4	Nonoperative storage well drilling.
Gas losses	823		New account.
Other expenses	824	755. 25	Other storage labor.
		755. 35	Other storage operation supplies and expenses.
Storage well royalties	825	757. 11	Storage well royalties.
		757. 12	Storage lease rentals.
Rents	826	757. 13	Other storage rents.
Maintenance:			Maintenance:
Maintenance supervision and engineering	830	756. 1	Maintenance supervision and engineering.
		756. 21	Maintenance of storage well structures.
Maintenance of structures and improvements	831	756. 22	Maintenance of storage compressor station structures.
		756. 23	Maintenance of storage measuring and regulating station structures.
		756. 24	Maintenance of other storage structures.
Maintenance of wells	832	756. 3	Maintenance of storage well equipment.
Maintenance of lines	833	756. 41	Maintenance of storage lines.
Maintenance of compressor station equipment.	834	756. 42	Maintenance of storage compressor station equipment.
Maintenance of measuring and regulating station equipment.	835	756. 43	Maintenance of storage measuring and regulating equipment.
Maintenance of purification equipment	836	-------	New account.
Maintenance of other equipment	837	756. 44	Maintenance of other storage equipment.
3. Local Storage Expenses			*B. Local Storage Expenses*
Operation:			Operation:
Operation supervision and engineering	840	758. 1	Operation supervision and engineering.
Operation labor and expenses	841	758. 2	Operation labor.
		758. 3	Operation supplies and expenses.
Rents	842	758. 9	Local storage rents.
Maintenance:			Maintenance:
Maintenance supervision and engineering	843	758. 4	Maintenance supervision and engineering.
Maintenance of structures and improvements	844	758. 5	Maintenance of structures and improvements.
Maintenance of gas holders	845	758. 6	Maintenance of gas holders.
Maintenance of other equipment	846	758. 7	Maintenance of liquefaction and regasification equipment.
		758. 8	Maintenance of other local gas storage equipment.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
OPERATING EXPENSE ACCOUNTS—Continued			OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued
3. Transmission Expenses			*4. Transmission Expenses*
Operation:			Operation:
Operation supervision and engineering	759.1	850	Operation supervision and engineering.
Mains operation labor	759.21	856	Mains expenses.
Compressor station labor	759.22	853	Compressor station labor and expenses.
Measuring and regulating station labor	759.23	857	Measuring and regulating station expenses.
Other operation labor	759.24	859	Other expenses.
Mains operation supplies and expenses	759.31	856	Mains expenses.
Compressor station supplies and expenses	759.32	853	Compressor station labor and expenses.
		854	Gas for compressor station fuel.
		855	Other fuel and power for compressor stations.
Measuring and regulating station supplies and expenses.	759.33	857	Measuring and regulating station expenses.
Other operation supplies and expenses	759.34	859	Other expenses.
Transmission maps and records	759.4	-------	Deleted.
Maintenance:			Maintenance:
Maintenance supervision and engineering	760.1	861	Maintenance supervision and engineering.
Maintenance of compressor station structures	760.21	862	Maintenance of structures and improvements
Maintenance of measuring and regulating station structures.	760.22		
Maintenance of other structures	760.23		
Maintenance of transmission mains	760.3	863	Maintenance of mains.
Maintenance of compressor station equipment.	760.4	864	Maintenance of compressor station equipment.
Maintenance of measuring and regulating station equipment.	760.5	865	Maintenance of measuring and regulating station equipment.
Maintenance of other transmission system equipment.	760.6	867	Maintenance of other equipment.
Miscellaneous:			
Rents	761.1	860	Rents.
Transmission and compression of gas by others	761.2	858	Transmission and compression of gas by others.
Joint expenses—debit	761.3	-------	Deleted.
Joint expenses—credit	761.4		

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued			OPERATING EXPENSE ACCOUNTS—Continued
4. Transmission Expenses			*3. Transmission Expenses*
Operation:			Operation:
Operation supervision and engineering	850	759.1	Operation supervision and engineering.
System control and load dispatching	851	-------	New account.
Communication system expenses	852	-------	New account.
Compressor station labor and expenses	853	759.22	Compressor station labor.
Gas for compressor station fuel	854	759.32	Compressor station supplies and expenses.
Other fuel and power for compressor stations	855		
Mains expenses	856	759.21	Mains operation labor.
		759.31	Mains operation supplies and expenses.
Measuring and regulating station expenses	857	759.23	Measuring and regulating station labor.
		759.33	Measuring and regulating station supplies and expenses.
Transmission and compression of gas by others.	858	761.2	Transmission and compression of gas by others.
Other expenses	859	759.24	Other operation labor.
		759.34	Other operation supplies and expenses.
Rents	860	761.1	Rents.
Maintenance:			Maintenance:
Maintenance supervision and engineering	861	760.1	Maintenance supervision and engineering.
Maintenance of structures and improvements	862	760.21	Maintenance of compressor station structures
		760.22	Maintenance of measuring and regulating station structures.
		760.23	Maintenance of other structures.
Maintenance of mains	863	760.3	Maintenance of transmission mains.
Maintenance of compressor station equipment.	864	760.4	Maintenance of compressor station equipment.
Maintenance of measuring and regulating station equipment.	865	760.5	Maintenance of measuring and regulating station equipment.
Maintenance of communications equipment	866	-------	New account.
Maintenance of other equipment	867	760.6	Maintenance of other transmission system equipment.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
OPERATING EXPENSE ACCOUNTS—Continued			OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued
4. Distribution Expenses			*5. Distribution Expenses*
A. City Gate and Main Line Industrial Measuring and Regulating Expenses			
Operation:			Operation:
Operation supervision and engineering	764.1	870	Operation supervision and engineering.
Operation labor	764.2	877	Measuring and regulating station expenses—city gate check stations.
Operation supplies and expenses	764.3		
Maintenance:			Maintenance:
Maintenance supervision and engineering	764.4	885	Maintenance supervision and engineering.
Maintenance of structures and improvements	764.5	886	Maintenance of structures and improvements.
Maintenance of measuring and regulating station equipment.	764.6	891	Maintenance of measuring and regulating station equipment—city gate check stations.
Miscellaneous:			
Rents	764.7	881	Rents.
Joint expenses—debit	764.8	-------	Deleted.
Joint expenses—credit	764.9		
B. General Distribution Expenses			
Operation:			Operation:
Operation supervision and engineering	765	870	Operation supervision and engineering.
Distribution maps and records	766.1	871	Distribution load dispatching.
Other distribution office expenses	766.2		
Operation of distribution mains	767.1	874	Mains and services expenses.
Operation of distribution compressor stations	767.2	872	Compressor station labor and expenses.
		873	Compressor station fuel and power.
Operation of distribution measuring and regulating station equipment.	767.3	875	Measuring and regulating station expenses—general.
Removing and resetting meters	768.1	878	Meter and house regulator expenses.
Miscellaneous meter expenses	768.2		
Operation of industrial measuring and regulating stations.	769.1	876	Measuring and regulating station expenses—industrial.
Services on customers' premises	769.2	879	Customer installations expenses.
Operation of other distribution equipment	770	880	Other expenses.
Maintenance:			Maintenance:
Maintenance supervision and engineering	771	885	Maintenance supervision and engineering.
Maintenance of structures and improvements	772	886	Maintenance of structures and improvements.
Maintenance of mains	773.1	887	Maintenance of mains.
Maintenance of compressor station equipment	773.2	888	Maintenance of compressor station equipment.
Maintenance of measuring and regulating station equipment.	773.3	889	Maintenance of measuring and regulating station equipment—general.
Maintenance of services	773.4	892	Maintenance of services.
Maintenance of meters	773.5	893	Maintenance of meters and house regulators.
Maintenance of house regulators	773.6		
Maintenance of industrial measuring and regulating station equipment.	773.7	890	Maintenance of measuring and regulating station equipment—industrial.
Maintenance of other property on customers' premises.	773.8	-------	Deleted.
Maintenance of other distribution equipment	774	894	Maintenance of other equipment.
Miscellaneous:			
Rents	776	881	Rents.
Joint expenses—debit	771.1	-------	Deleted.
Joint expenses—credit	777.2		

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued			OPERATING EXPENSE ACCOUNTS—Continued
5. Distribution Expenses			*4. Distribution Expenses*
Operation:			Operation:
Operation supervision and engineering	870	764.1	Operation supervision and engineering.
		765	Operation supervision and engineering.
Distribution load dispatching	871	766.2	Other distribution office expenses.
Compressor station labor and expenses	872	767.2	Operation of distribution compressor stations.
Compressor station fuel and power	873		
Mains and services expenses	874	767.1	Operation of distribution mains.
Measuring and regulating station expenses—general.	875	767.3	Operation of distribution measuring and regulating station equipment.
Measuring and regulating station expenses—industrial.	876	769.1	Operation of industrial measuring and regulating stations.
Measuring and regulating station expenses—city gate check stations.	877	764.2	Operation labor.
		764.3	Operation supplies and expenses.
Meter and house regulator expenses	878	768.1	Removing and resetting meters.
		768.2	Miscellaneous meter expenses.
Customer installations expenses	879	769.2	Services on customers' premises.
Other expenses	880	770	Operation of other distribution equipment.
Rents	881	776	Rents.
Maintenance:			Maintenance:
Maintenance supervision and engineering	885	771	Maintenance supervision and engineering.
Maintenance of structures and improvements	886	772	Maintenance of structures and improvements.
		764.5	Maintenance of structures and improvements.
Maintenance of mains	887	773.1	Maintenance of mains.
Maintenance of compressor station equipment	888	773.2	Maintenance of compressor station equipment.
Maintenance of measuring and regulating station equipment—general.	889	773.3	Maintenance of measuring and regulating station equipment.
Maintenance of measuring and regulating station equipment—industrial.	890	773.7	Maintenance of industrial measuring and regulating station equipment.
Maintenance of measuring and regulating station equipment—city gate check stations.	891	764.6	Maintenance of measuring and regulating station equipment.
Maintenance of services	892	773.4	Maintenance of services.
Maintenance of meters and house regulators	893	773.5	Maintenance of meters.
		773.6	Maintenance of house regulators.
Maintenance of other equipment	894	774	Maintenance of other distribution equipment.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for natural gas companies effective Jan. 1, 1940, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1940, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1940		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
OPERATING EXPENSE ACCOUNTS—Continued			OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued
5. Customers' Accounting and Collecting Expenses			*6. Customer Accounts Expenses*
Supervision	779	901	Supervision.
Customers' contracts and orders	780.1	903	Customer records and collection expenses.
Credit investigations and records	780.2		
Meter reading	780.3	902	Meter reading expenses.
Collecting	780.4	903	Customer records and collection expenses.
Customers' billing and accounting	781	903	Customer records and collection expenses.
Miscellaneous expenses	782	905	Miscellaneous customer accounts expenses.
Uncollectible accounts	783	904	Uncollectible accounts.
Rents	784		Deleted.
6. Sales Promotion Expense			*7. Sales Expense*
Supervision	785	911	Supervision.
Salaries and commissions	786	912	Demonstrating and selling expenses.
Demonstration	787.1		
Advertising	787.2	913	Advertising expenses.
Miscellaneous sales expenses	787.3	916	Miscellaneous sales expenses.
Rents	788		Deleted.
Revenues from merchandising, jobbing, and contract work.	789.1	914	Revenues from merchandising, jobbing, and contract work.
Costs and expenses of merchandising, jobbing, and contract work.	789.2	915	Costs and expenses of merchandising, jobbing, and contract work.
7. Administrative and General Expenses			*8. Administrative and General Expenses*
Operation:			Operation:
Salaries of general officers and executives	790	920	Administrative and general salaries.
Other general office salaries	791		
Expenses of general officers	792.1	921	Office supplies and expenses.
Expenses of general office employees	792.2		
General office supplies and expenses	793		
Management and supervision fees and expenses.	794	923	Outside services employed.
Special services	795		
Special legal services	796	928	Regulatory commission expenses.
Regulatory commission expenses	797	924	Property insurance.
Insurance	798	925	Injuries and damages.
Injuries and damages	799		
Employees' welfare expenses	800.1	926	Employee pensions and benefits.
Maintenance of office furniture and equipment.	800.2	930	Miscellaneous general expenses.
Miscellaneous general expenses	801		
Maintenance of structures and improvements	802.1	932	Maintenance of general plant.
Maintenance of office furniture and equipment	802.2		
Maintenance of communication equipment	802.3		
Maintenance of miscellaneous property	802.4		
Rents	803	931	Rents.
Commissions paid under agency sales contracts.	804		Deleted.
Cash outlays	805.1	927	Franchise requirements.
Gas supplies without charge—debit	805.2		
Other items furnished without charge—debit.	805.3		
Duplicate miscellaneous charges—credit	806	929	Duplicate charges—credit. (See text of account 922.)
Administrative and general expenses transferred—credit.	807	-------	
Joint expenses—debit	808	-------	Deleted.
Joint expenses—credit	809		
Clearing accounts:			
Charges by associated companies—clearing	901		
Stores expenses—clearing	902		
Transportation expenses—clearing	903	-------	Deleted (see account 184).
Laboratory expenses—clearing	904		
Shop expenses—clearing	905		
Tools and work equipment expenses—clearing	906		

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1940

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1940	
Account title	No.	No.	Account title
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued			OPERATING EXPENSE ACCOUNTS—Continued
6. Customer Accounts Expenses			*5. Customers' Accounting and Collecting Expenses*
Supervision	901	779	Supervision.
Meter reading expenses	902	780.3	Meter reading.
Customer records and collection expenses	903	780.1	Customers' contracts and orders.
		780.2	Credit investigations and records.
		780.4	Collecting.
		781	Customers' billing and accounting.
Uncollectible accounts	904	783	Uncollectible accounts.
Miscellaneous customer accounts expenses	905	782	Miscellaneous expenses.
7. Sales Expense			*6. Sales Promotion Expenses*
Supervision	911	785	Supervision.
Demonstrating and selling expenses	912	786	Salaries and commissions.
		787.1	Demonstration.
Advertising expenses	913	787.2	Advertising.
Revenues from merchandising, jobbing, and contract work.	914	789.1	Revenues from merchandising, jobbing, and contract work.
Costs and expenses of merchandising, jobbing, and contract work.	915	789.2	Costs and expenses of merchandising, jobbing, and contract work.
Miscellaneous sales expenses	916	787.3	Miscellaneous sales expenses.
7. Administrative and General Expenses			*8. Administrative and General Expenses*
Operation:			Operation:
Administrative and general salaries	920	790	Salaries of general officers and executives.
		791	Other general office salaries.
		792.1	Expenses of general officers.
Office supplies and expenses	921	792.2	Expenses of general office employees.
		793	General office supplies and expenses.
Administrative expenses transferred—credit	922	807	Administrative and general expenses transferred—credit. (NOTE.—Accounts 922 to be credited with amounts transferred from accounts 920 and 921.)
		794	Management and supervision fees and expenses.
Outside services employed	923	795	Special services.
		796	Special legal services.
Property insurance	924	798	Insurance.
Injuries and damages	925	799	Injuries and damages.
Employee pensions and benefits	926	800.1	Employees' welfare expenses.
		800.2	Pensions.
Franchise requirements	927	805.1	Cash outlays.
		805.2	Gas supplied without charge—debit.
		805.3	Other items furnished without charge—debit.
Regulatory commission expenses	928	797	Regulatory commission expenses.
Duplicate charges—credit	929	806	Duplicate miscellaneous charges—credit.
Miscellaneous general expenses	930	801	Miscellaneous general expenses.
Rents	931	803	Rents, including rents applicable to customers' accounts and sales.
Maintenance of general plant	932	802.1	Maintenance: Maintenance of structures and improvements.
		802.2	Maintenance of office furniture and equipment.
		802.3	Maintenance of communication equipment.
		802.4	Maintenance of miscellaneous property.

APPENDIX B

UNIFORM SYSTEM OF ACCOUNTS PRESCRIBED FOR NATURAL GAS COMPANIES SUBJECT TO THE PROVISIONS OF THE NATURAL GAS ACT

Definitions

When used in this system of accounts:

1. "Accounts" means the accounts prescribed in this system of accounts.

2. "Actually issued," as applied to securities issued or assumed by the utility, means those which have been sold to bona fide purchasers for a valuable consideration, those issued as dividends on stock, and those which have been issued in accordance with contractual requirements direct to trustees of sinking funds.

3. "Actually outstanding," as applied to securities issued or assumed by the utility, means those which have been actually issued and are neither retired nor held by or for the utility; provided, however, that securities held by trustees shall be considered as actually outstanding.

4. "Amortization" means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

5. A. "Associated companies" means companies or persons that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the accounting company.

B. "Control" (including the terms "controlling," "controlled by," and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.

6. "Book cost" means the amount at which property is recorded in these accounts without deduction of related provisions for accrued depreciation, depletion, amortization, or for other purposes.

7. "Commission," means the Federal Power Commission.

8. "Cost" means the amount of money actually paid for property or services. When the consideration given is other than cash in a purchase and sale transaction, as distinguished from a transaction involving the issuance of common stock in a merger or a pooling of interest, the value of such consideration shall be determined on a cash basis.

9. "Cost of removal" means the cost of demolishing, dismantling, tearing down or otherwise removing gas plant, including the cost of transportation and handling incidental thereto.

10. "Debt expense" means all expenses in connection with the issuance and initial sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds and certificates of indebtedness; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen for marketing such evidences of debt; fees and expenses of listing on exchanges; and other like costs.

11. (a) "Depletion," as applied to natural gas producing land and land rights, means the loss in service value incurred in connection with the exhaustion of the natural resource in the course of service.

(b) "Depreciation," as applied to depreciable gas plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of gas plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand and requirements of public authorities, and, in the case of natural gas companies, the exhaustion of natural resources.

12. "Discount", as applied to the securities issued or assumed by the utility, means the excess of the par (stated value of no-par stocks) or face value of the securities plus interest or dividends accrued at the date of the sale over the cash value of the consideration received from their sale.

13. "Investment advances" means advances, represented by notes or by book accounts only, with respect to which it is mutually agreed or intended between the creditor and debtor that they shall be settled by the issuance of securities or shall not be subject to current settlement.

14. "Minor items of property" means the associated parts or items of which retirement units are composed.

15. "Natural gas" means either natural gas unmixed, or any mixture of natural and artificial gas.

16. "Natural gas company" means a person engaged in the transportation of natural gas in interstate commerce, or the sale in interstate commerce of such gas for resale.

17. "Net salvage value" means the salvage value of property retired less the cost of removal.

18. "Nominally issued," as applied to securities issued or assumed by the utility, means those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the utility, but which have not been sold, or issued direct to trustees of sinking funds in accordance with contractual requirements.

19. "Nominally outstanding," as applied to securities issued or assumed by the utility, means those which, after being actually issued, have been reacquired by or for the utility under circumstances which require them to be considered as held alive and not retired, provided, however, that securities held by trustees shall be considered as actually outstanding.

20. "Original cost," as applied to gas plant, means the cost of such property to the person first devoting it to public service.

21. "Person" means an individual, a corporation, a partnership, an association, a joint stock company, a business trust, or any organized group of persons, whether incorporated or not, or any receiver or trustee.

22. "Premium," as applied to securities issued or assumed by the utility, means the excess of the cash value of the consideration received from their sale over the sum of their par (stated value of no-par stocks) or face value and interest or dividends accrued at the date of sale.

23. "Property retired," as applied to gas plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been withdrawn from service.

24. "Replacing" or "replacement," when not otherwise indicated in the context, means the construction or installation of gas plant in place of property retired, together with the removal of the property retired.

25. "Retirement units" means those items of gas plant which, when retired, with or without replacement, are accounted for by crediting the book cost thereof to the gas plant account in which included.

26. "Salvage value" means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale; or, if retained, the amount at which the material recoverable is chargeable to Materials and Supplies, or other appropriate account.

27. "Service life" means the time between the date gas plant is includible in gas plant in service, or gas plant leased to others, and the date of its retirement. If depreciation is accounted for on a production basis rather than on a time basis, then service life should be measured in terms of the appropriate unit of production.

28. "Service value" means the difference between original cost and net salvage value of gas plant.

29. "Utility," as used herein and when not otherwise indicated in the context, means any natural gas company to which this system of accounts is applicable.

General Instructions

1. *Classification of Utilities.*

A. For the purpose of applying systems of accounts prescribed by the Commission, natural gas companies are divided into four classes, as follows:

Class A. Natural Gas Companies having annual gas operating revenues of $2,500,000 or more.

Class B. Natural Gas Companies having annual gas operating revenues of

$1,000,000 or more but less than $2,500,000.

Class C. Natural Gas Companies having annual gas operating revenues of $150,000 or more but less than $1,000,000.

Class D. Natural Gas Companies having annual gas operating revenues of $25,000 or more but less than $150,000.

B. This system of accounts applies to Class A and Class B utilities. Those applicable to Class C and Class D utilities are issued separately.

C. The class to which any utility belongs shall originally be determined by the average of its annual gas operating revenues for the last three consecutive years. Subsequent changes in classification shall be made when the annual gas operating revenues for each of the three immediately preceding years shall exceed the upper limit, or be less than the lower limit, of the annual gas operating revenues of the classification previously applicable to the utility.

D. Any utility may, at its option, adopt the system of accounts prescribed by the Commission for any larger class of utilities.

2. *Records.* A. Each utility shall keep its books of account, and all other books, records, and memoranda which support the entries in such books of account so as to be able to furnish readily full information as to any item included in any account. Each entry shall be supported by such detailed information as will permit ready identification, analysis, and verification of all facts relevant thereto.

B. The books and records referred to herein include not only accounting records in a limited technical sense, but all other records, such as minute books, stock books, reports, correspondence, memoranda, etc., which may be useful in developing the history of or facts regarding any transaction.

C. No utility shall destroy any such books or records unless the destruction thereof is permitted by rules and regulations of the Commission.

D. In addition to prescribed accounts, clearing accounts, temporary or experimental accounts, and subdivisions of any accounts, may be kept, provided the integrity of the prescribed accounts is not impaired.

E. All amounts included in the accounts prescribed herein for gas plant and operating expenses shall be just and reasonable and any payments or accruals by the utility in excess of just and reasonable charges shall be included in account 426, Other Income Deductions.

F. The arrangement or sequence of the accounts prescribed herein shall not be controlling as to the arrangement or sequence in report forms which may be prescribed by the Commission.

3. *Numbering system.* A. The account numbering plan used herein consists of a system of three-digit whole numbers as follows:

100–199	Assets and Other Debits.
200–299	Liabilities and Other Credits.
300–399	Plant Accounts.
400–439	Income Accounts.
480–499	Revenue Accounts.
700–899	Production, Transmission and Distribution Expenses.
900–949	Customer Accounts, Sales and General and Administrative Expenses.

B. In certain instances, numbers have been skipped in order to allow for possible later expansion or to permit better coordination with the numbering system for other utility departments.

C. The numbers prefixed to account titles are to be considered as part of the titles. Each utility, however, may adopt for its own purposes a different system of account numbers (See also general instruction 2D) provided that the numbers herein prescribed shall appear in the descriptive headings of the ledger accounts and in the various sources of original entry; however, if a utility uses a different group of account numbers and it is not practicable to show the prescribed account numbers in the various sources of original entry, such reference to the prescribed account numbers may be omitted from the various sources of original entry. Moreover, each utility using different account numbers for its own purposes shall keep readily available a list of such account numbers which it uses and a reconciliation of such account numbers with the account numbers provided herein. It is intended that the utility's records shall be so kept as to permit ready analysis by prescribed accounts (by direct reference to sources of original entry to the extent practicable) and to permit preparation of financial and operating statements directly from such records at the end of each accounting period according to the prescribed accounts.

4. *Accounting period.* Each utility shall keep its books on a monthly basis so that for each month all transactions applicable thereto, as nearly as may be ascertained, shall be entered in the books of the utility. Amounts applicable or assignable to specific utility departments shall be so segregated monthly. Each utility shall close its books at the end of each calendar year unless otherwise authorized by the Commission.

5. *Submittal of questions.* To maintain uniformity of accounting, utilities shall submit questions of doubtful interpretation to the Commision for consideration and decision.

6. *Item lists.* Lists of "items" appearing in the texts of the accounts or elsewhere herein are for the purpose of more clearly indicating the application of the prescribed accounting. The lists are intended to be representative, but not exhaustive. The appearance of an item in a list warrants the inclusion of the item in the account mentioned only when the text of the account also indicates inclusion inasmuch as the same item frequently appears in more than one list. The proper entry in each instance must be determined by the texts of the accounts.

7. *Delayed items.* Items relating to transactions which occurred prior to the current calendar year but which were not recorded in the books of account shall be included in the same accounts which would have been charged or credited if the items had not been delayed; provided, that when the amount of a delayed item is relatively so large that its inclusion in the accounts for a single month would seriously distort the accounts, it may be distributed in equal amounts to the accounts for the current and remaining months of the calendar year; and provided further, that, if the amount of any delayed item is relatively so large that its inclusion in the accounts for a single year would seriously distort the accounts, the amount shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus, unless the Commission shall prescribe otherwise in specific instances.

8. *Unaudited items.* Whenever a financial statement is required by the Commission, if it is known that a transaction has occurred which affects the accounts but the amount involved in the transaction and its effect upon the accounts cannot be determined with absolute accuracy, the amount shall be estimated and such estimated amount included in the proper accounts. The utility is not required to anticipate minor items which would not appreciably affect the accounts.

9. *Distribution of pay and expenses of employees.* The charges to gas plant, operating expense and other accounts for services and expenses of employees engaged in activities chargeable to various accounts, such as construction, maintenance, and operations, shall be based upon the actual time engaged in the respective classes of work, or in case that method is impracticable, upon the basis of a study of the time actually engaged during a representative period.

10. *Payroll distribution.* Underlying accounting data shall be maintained so that the distribution of the cost of labor charged direct to the various accounts will be readily available. Such underlying data shall permit a reasonably accurate distribution to be made of the cost of labor charged initially to clearing accounts so that the total labor cost may be classified among construction, cost of removal, gas operating functions (manufactured gas production, natural gas production and gathering, products extraction, underground storage, transmission, distribution, etc.), and nonutility operations.

11. *Operating reserves.* Accretions to operating reserve accounts made by charges to operating expenses shall not exceed a reasonable provision for the expense. Material balances in such reserve accounts shall not be diverted from the purpose for which provided unless the permission of the Commission is first obtained.

12. *Records for each plant.* A. Separate records shall be maintained by gas plant accounts of the book cost of each plant owned, including additions by the utility to plant leased from others, and of the cost of operating and maintaining each plant owned or operated. The term "plant," as here used, means each manufactured gas production plant, the wells and gathering lines of each distinct production area, each system of interconnected transmission mains, each system of wells and lines of an underground storage project, each large purification or dehydration plant, each compressor

station, other than a distribution compressor station, and each products extraction plant.

B. A natural gas company may, with the approval of the Commission, group certain of its systems of gathering lines and wells, small compressor stations, systems of underground storage lines and wells, and systems of interconnected transmission mains for the purpose of complying with the portion of this instruction requiring a segregation of the cost of operating and maintaining each plant.

NOTE A: Where manufactured gas is produced by two or more processes at one location, each process shall be accounted for separately.

NOTE B: Each natural gas company shall maintain operating or accounting records for each well showing (a) acreage on which drilled, (b) dates of drilling period, (c) cost of drilling, (d) depth of well, (e) particulars and depth of each stratum drilled through, (f) geological formation from which gas is obtained, (g) initial rock pressure and open flow capacity, (h) sizes of casing used and the lengths of each size, (i) total cost of well as recorded in gas plant accounts, (j) date well abandoned, for wells once productive, (k) date transferred to underground storage plant, for wells converted to storage use, and (l) date drilling discontinued, for wells determined to be nonproductive. The foregoing data, as appropriate, shall also be maintained for each subsequent change in the depth of each well.

13. *Accounting for other departments.* If the utility also operates other utility departments, such as electric, water, etc., it shall keep such accounts for the other departments as may be prescribed by proper authority and in the absence of prescribed accounts, it shall keep such accounts as are proper or necessary to reflect the results of operating each such department. It is not intended that proprietary and similar accounts which apply to the utility as a whole shall be departmentalized.

14. *Transactions with associated companies.* Each utility shall keep its accounts and records so as to be able to furnish accurately and expeditiously statements of all transactions with associated companies. The statements may be required to show the general nature of the transactions, the amounts involved therein and the amounts included in each account prescribed herein with respect to such transactions. Transactions with associated companies shall be recorded in the appropriate accounts for transactions of the same nature. Nothing herein contained, however, shall be construed as restraining the utility from subdividing accounts for the purpose of recording separately transactions with associated companies.

15. *Contingent assets and liabilities.* Contingent assets represent a possible source of value to the utility contingent upon the fulfillment of conditions regarded as uncertain. Contingent liabilities include items which may under certain conditions become obligations of the utility but which are neither direct nor assumed liabilities at the date of the balance sheet. The utility shall be prepared to give a complete statement of significant contingent assets and liabilities (including cumulative dividends on preference stock) in its annual report and at such other times as may be requested by the Commission.

Gas Plant Instructions

1. *Classification of gas plant at effective date of system of accounts.* A. The gas plant accounts provided herein are generally the same as those contained in the prior system of accounts except for some changes in classification in the general equipment accounts. Except for these changes, the balances in the various plant accounts, as determined under the prior system of accounts, should be carried forward. Any remaining balance of plant which has not yet been classified, pursuant to the requirements of the prior system, shall be classified in accordance with the following instructions.

B. The cost to the utility of its unclassified plant shall be ascertained by analysis of the utility's records. Adjustments shall not be made to record in utility plant accounts amounts previously charged to operating expenses or to income deductions in accordance with the uniform system of accounts in effect at the time or in accordance with the discretion of management as exercised under a uniform system of accounts, or under accounting practices previously followed.

C. The detailed gas plant accounts (301 to 399, inclusive) shall be stated on the basis of cost to the utility of plant constructed by it and the original cost, estimated if not known, of plant acquired as an operating unit or system. The difference between the original cost, as above, and the cost to the utility of gas plant after giving effect to any accumulated provision for depreciation, depletion, or amortization, and contributions in aid of construction applicable to the property acquired if recorded by the accounting utility at the time of acquisition, shall be recorded in account 114, Gas Plant Acquisition Adjustments. The original cost of gas plant shall be determined by analysis of the utility's records or those of predecessor or vendor companies with respect to gas plant previously acquired as operating units or systems and the difference between the original cost so determined, less accumulated provisions for depreciation, depletion, and amortization and contributions in aid of construction if recorded by the accounting utility, and the cost to the utility, with necessary adjustments for retirements from date of acquisition, shall be entered in account 114, Gas Plant Acquisition Adjustments. Any difference between the cost of gas plant and its book cost, when not properly includible in other accounts, shall be recorded in account 116, Other Gas Plant Adjustments.

2. *Gas plant to be recorded at cost.* A. All amounts included in the accounts for gas plant acquired as an operating unit or system, except as otherwise provided in the texts of the intangible plant accounts, shall be stated at the cost incurred by the person who first devoted the property to utility service. All other gas plant shall be included in the accounts at the cost incurred by the utility. Where the term "cost" is used in the detailed plant accounts, it shall have the meaning stated in this paragraph.

B. When the consideration given for property is other than cash, the value of such consideration shall be determined on a cash basis. (See, however, definition 8.) In the entry recording such transaction, the actual consideration shall be described with sufficient particularity to identify it. The utility shall be prepared to furnish the Commission the particulars of its determination of the cash value of the consideration if other than cash.

C. When property is purchased under a plan involving deferred payments, no charge shall be made to the gas plant accounts for interest, insurance, or other expenditures occasioned solely by such form of payment.

D. Gas plant contributed to the utility or constructed by it from contributions to it of cash or its equivalent shall be charged to the gas plant accounts at cost of construction, estimated if not known. There shall be credited to the accounts for accumulated depreciation, depletion, and amortization the estimated amount of depreciation, depletion, and amortization applicable to the property at the time of its contribution to the utility. The difference between the amounts included in the gas plant accounts and the accumulated depreciation, depletion, and amortization shall be credited to account 271, Contributions in Aid of Construction.

3. *Components of construction cost.* The cost of construction properly includible in the gas plant accounts shall include, where applicable, the direct and overhead costs as listed and defined hereunder:

(1) "Contract work" includes amounts paid for work performed under contract by other companies, firms, or individuals, costs incident to the award of such contracts, and the inspection of such work.

(2) "Labor" includes the pay and expenses of employees of the utility engaged on construction work, and related workmen's compensation insurance, payroll taxes and similar items of expense. It does not include the pay and expenses of employees which are distributed to construction through clearing accounts nor the pay and expenses included in other items hereunder.

(3) "Materials and supplies" includes the purchase price at the point of free delivery plus customs duties, excise taxes, the cost of inspection, loading and transportation, the related stores expenses, and the cost of fabricated materials from the utility's shop. In determining the cost of materials and supplies used for construction, proper allowance shall be made for unused materials and supplies, for materials recovered from temporary structures used in performing the work involved, and for discounts allowed and realized in the purchase of materials and supplies.

NOTE: The cost of individual items of equipment of small value (for example, $50 or less) or of short life, including small portable tools and implements, shall not be charged to utility plant accounts unless the correctness of the accounting therefor is verified by current inventories. The cost

shall be charged to the appropriate operating expense or clearing accounts, according to the use of such items, or, if such items are consumed directly in construction work, the cost shall be included as part of the cost of the construction.

(4) "Transportation" includes the cost of transporting employees, materials and supplies, tools, purchased equipment, and other work equipment (when not under own power) to and from points of construction. It includes amounts paid to others as well as the cost of operating the utility's own transportation equipment. (See item 5 following.)

(5) "Special machine service" includes the cost of labor (optional), materials and supplies, depreciation, and other expenses incurred in the maintenance, operation and use of special machines, such as steam shovels, pile drivers, derricks, ditchers, scrapers, material unloaders, and other labor saving machines; also expenditures for rental, maintenance and operation of machines of others. It does not include the cost of small tools and other individual items of small value or short life which are included in the cost of materials and supplies. (See item 3, above.) When a particular construction job requires the use for an extended period of time of special machines, transportation or other equipment, the net book cost thereof, less the appraised or salvage value at time of release from the job, shall be included in the cost of construction.

(6) "Shop service" includes the proportion of the expense of the utility's shop department assignable to construction work except that the cost of fabricated materials from the utility's shop shall be included in "materials and supplies."

(7) "Protection" includes the cost of protecting the utility's property from fire or other casualties and the cost of preventing damages to others, or to the property of others, including payments for discovery or extinguishment of fires, cost of apprehending and prosecuting incendiaries, witness fees in relation thereto, amounts paid to municipalities and others for fire protection, and other analogous items of expenditures in connection with construction work.

(8) "Injuries and damages" includes expenditures or losses in connection with the construction work on account of injuries to persons and damages to the property of others; also the cost of investigation of and defense against actions for such injuries and damages. Insurance recovered or recoverable on account of compensation paid for injuries to persons incident to construction shall be credited to the account or accounts to which such compensation is charged. Insurance recovered or recoverable on account of property damages incident to construction shall be credited to the account or accounts charged with the cost of the damages.

(9) "Privileges and permits" includes payments for and expenses incurred in securing temporary privileges, permits or rights in connection with construction work, such as for the use of private or public property, streets, or highways, but it does not include rents, or amounts chargeable as franchises and consents for which see account 302, Franchises and Consents.

(10) "Rents" includes amounts paid for the use of construction quarters and office space occupied by construction forces and amounts properly includible in construction costs for such facilities jointly used.

(11) "Engineering and supervision" includes the portion of the pay and expenses of engineers, surveyors, draftsmen, inspectors, superintendents and their assistants applicable to construction work.

(12) "General administration capitalized" includes the portion of the pay and expenses of the general officers and administrative and general expenses applicable to construction work.

(13) "Engineering services" includes amounts paid to other companies, firms, or individuals engaged by the utility to plan, design, prepare estimates, supervise, inspect, or give general advice and assistance in connection with construction work.

(14) "Insurance" includes premiums paid or amounts provided or reserved as self-insurance for the protection against loss and damages in connection with construction, by fire or other casualty, injury to or death of persons other than employees, damages to property of others, defalcation of employees and agents, and the nonperformance of contractual obligations of others. It does not include workmen's compensation or similar insurance on employees included as "labor" in item 2, above.

(15) "Law expenditures" includes the general law expenditures incurred in connection with construction and the court and legal costs directly related thereto, other than law expenses included in protection, item 7, and in injuries and damages, item 8.

(16) "Taxes" includes taxes on physical property (including land) during the period of construction and other taxes properly includible in construction costs before the facilities become available for service.

(17) "Interest during construction" includes the net cost for the period of construction of borrowed funds used for construction purposes and a reasonable rate on other funds when so used. No interest charges shall be included in these accounts upon expenditures for construction projects which have been abandoned.

NOTE: When a part only of a plant or project is placed in operation or is completed and ready for service but the construction work as a whole is incomplete, that part of the cost of the property placed in operation, or ready for service, shall be treated as "Gas Plant in Service" and interest thereon as a charge to construction shall cease. Interest on that part of the cost of the plant which is incomplete may be continued as a charge to construction until such time as it is placed in operation or is ready for service, except as limited in Item 17 above.

(18) "Earnings and expenses during construction" includes (a) all revenues derived during the construction period from property which is included in the cost of a project under construction and (b) all expenses which are attributable to the revenues received.

4. *Overhead construction costs.* A. All overhead construction costs, such as engineering, supervision, general office salaries and expenses, construction engineering and supervision by others than the accounting utility, law expenses, insurance, injuries and damages, relief and pensions, taxes and interest, shall be charged to particular jobs or units on the basis of the amounts of such overheads reasonably applicable thereto, to the end that each job or unit shall bear its equitable proportion of such costs and that the entire cost of the unit, both direct and overhead, shall be deducted from the plant accounts at the time the property is retired.

B. As far as practicable, the determination of pay roll charges includible in construction overheads shall be based on time card distributions thereof. Where this procedure is impractical, special studies shall be made periodically of the time of supervisory employees devoted to construction activities to the end that only such overhead costs as have a definite relation to construction shall be capitalized. The addition to direct construction costs of arbitrary percentages or amounts to cover assumed overhead costs is not permitted.

C. The records supporting the entries for overhead construction costs shall be so kept as to show the total amount of each overhead for each year, the nature and amount of each overhead expenditure charged to each construction work order and to each utility plant account, and the bases of distribution of such costs.

5. *Gas plant purchased or sold.* A. When gas plant constituting an operating unit or system is acquired by purchase, merger, consolidation, liquidation, or otherwise, after the effective date of this system of accounts, the costs of acquisition, including expenses incidental thereto properly includible in gas plant, shall be charged to account 102, Gas Plant Purchased or Sold.

B. The accounting for the acquisition shall then be completed as follows:

(1) The original cost of plant, estimated if not known, shall be credited to account 102, Gas Plant Purchased or Sold, and concurrently charged to the appropriate gas plant in service accounts and to account 104, Gas Plant Leased to Others, account 105, Gas Plant Held for Future Use, and account 107, Construction Work in Progress—Gas, as appropriate.

(2) The depreciation, depletion, and amortization applicable to the original cost of the properties purchased, shall be charged to account 102, Gas Plant Purchased or Sold, and concurrently credited to the appropriate account for accumulated provision for depreciation, depletion or amortization.

(3) The cost to the utility of any property includible in account 121, Nonutility Property, shall be transferred thereto.

(4) The amount of contributions in aid of construction applicable to the property acquired, shall be charged to account 102, Gas Plant Purchased or

Sold, and concurrently credited to account 271, Contributions in Aid of Construction, unless otherwise authorized by the Commission.

(5) The amount remaining in account 102, Gas Plant Purchased or Sold, shall then be closed to account 114, Gas Plant Acquisition Adjustments.

C. If property acquired in the purchase of an operating unit or system is in such physical condition when acquired that it is necessary substantially to rehabilitate it in order to bring the property up to the standards of the utility, the cost of such work, except replacements, shall be accounted for as a part of the purchase price of the property.

D. When any property acquired as an operating unit or system includes duplicate or other plant which will be retired by the accounting utility in the reconstruction of the acquired property or its consolidation with previously owned property, the proposed accounting for such property shall be presented to the Commission.

E. In connection with the acquisition of gas plant constituting an operating unit or system, the utility shall procure, if possible, all existing records relating to the property acquired, or cer'ified copies thereof, and shall preserve such records in conformity with regulations or practices governing the preservation of records of its own construction.

F. When gas plant constituting an operating unit or system is sold, conveyed, or transferred to another by sale, merger, consolidation or otherwise, the book cost of the property sold or transferred to another shall be credited to the appropriate utility plant accounts, including amounts carried in account 114, Gas Plant Acquisition Adjustments, and the amounts (estimated if not known) carried with respect thereto in the accounts for accumulated provisions for depreciation, depletion, and amortization and in account 252, Customer Advances for Construction, and account 271, Contributions in Aid of Construction, shall be charged to such accounts and the contra entries made to account 102 Gas Plant Purchased or Sold. Unless otherwise ordered by the Commission, the difference, if any, between (a) the net amount of debits and credits and (b) the consideration received for the property (less commissions and other expenses of making the sale) shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus. (See account 102, Gas Plant Purchased or Sold.)

NOTE: In cases where existing utilities merge or consolidate because of financial or operating reasons or statutory requirements rather than as a means of transferring title of purchased properties to a new owner, the accounts of the constituent utilities, with the approval of the Commission, may be combined. In the event original cost has not been determined, the resulting utility shall proceed to determine such cost as outlined herein.

6. *Expenditures on leased property.* A. The cost of substantial initial improvements (including repairs, rearrangements, additions, and betterments) made in the course of preparing for utility service property leased for a period of more than one year, and the cost of subsequent substantial additions, replacements, or betterments to such property, shall be charged to the gas plant account appropriate for the class of property leased. If the service life of the improvements is terminable by action of the lease, the cost, less net salvage, of the improvements shall be spread over the life of the lease by charges to account 404.3, Amortization of Other Limited-Term Gas Plant. However, if the service life is not terminated by action of the lease but by depreciation proper, the cost of the improvements, less net salvage, shall be accounted for as depreciable plant.

B. If improvements made to property leased for a period of more than one year are of relatively minor cost, or if the lease is for a period of not more than one year, the cost of the improvements shall be charged to the account in which the rent is included, either directly or by amortization thereof.

7. *Land and land rights.* A. The accounts for land and land rights shall include the cost of land owned in fee by the utility and rights, interests, and privileges held by the utility in land owned by others, such as leaseholds, easements, rights of way, natural gas rights, and other like interests in land.

B. Where special assessments for public improvements provide for deferred payments, the full amount of the assessments shall be charged to the appropriate land account and the unpaid balance shall be carried in an appropriate liability account. Interest on unpaid balances shall be charged to the appropriate interest account. If any part of the cost of public improvement is included in the general tax levy, the amount thereof shall be charged to the appropriate tax account.

C. The net profit from the sale of timber, cord wood, or other property acquired with rights-of-way or other lands shall be credited to the appropriate land and land rights or clearing land account. Where land is held for a considerable period of time and timber on the land at the time of purchase increases in value, the net profit (after giving effect to the cost of the timber) from the sales of timber or its products shall be credited to account 421, Miscellaneous Nonoperating Income.

D. Separate entries shall be made for the acquisition, transfer, or retirement of each parcel of land, and each land right, or gas right (except rights-of-way for distribution mains), having a life of more than one year. A record shall be maintained showing the nature of ownership, full legal description, area, map reference, purpose for which used, city, county, and tax district in which situated, from whom purchased or to whom sold, payment given or received, other costs, contract date and number, date of recording of deed, and book and page of record. Entries transferring or retiring land or land rights shall refer to the original entry recording its acquisition. A parcel of land acquired and carried on the books as a unit is not required to be subdivided with transfers to other land accounts merely because of the erection thereon of an incidental structure to be used in gas operations but for a purpose differing from that for which the land is chiefly employed; for example, a small storehouse on production plant land.

E. Any difference between the amount received from the sale of land or land rights, less agents' commissions and other costs incident to the sale, and the book cost of such land or rights, shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus, as appropriate, unless a reserve therefor has been authorized and provided. Appropriate adjustments of the accounts shall be made with respect to any structures or improvements located on land sold.

F. The cost of buildings and other improvements (other than public improvements) shall not be included in the land accounts. If at the time of acquisition of an interest in land such interest extends to buildings or other improvements (other than public improvements), which are then devoted to utility operations, the land and improvements shall be separately appraised and the cost allocated to land and buildings or improvements on the basis of the appraisals. If the improvements are removed or wrecked without being used in operations, the cost of removing or wrecking shall be charged and the salvage credited to the account in which the cost of the land is recorded.

G. When the purchase of land for gas operations requires the purchase of more land than needed for such purposes, the charge to the specific land account shall be based upon the cost of the land purchased, less the fair market value of that portion of the land which is not to be used in utility operations. The portion of the cost measured by the fair market value of the land not to be used shall be included in account 105, Gas Plant Held for Future Use, or account 121, Nonutility Property, as appropriate. Regarding land and land rights held for the production of natural gas, account 101, Gas Plant in Service, shall include (1) the cost of lands owned in fee upon which producing natural gas wells are located or lands owned in fee which are being drained through the operation by the utility of wells on the other land, and (2) the first cost of lands held under lease upon which the utility pays royalties for the natural gas obtained therefrom. The cost of all other land and land rights held for the production of natural gas under a definite plan for such use shall be included in account 105, Gas Plant Held for Future Use.

NOTE: In addition to the accounting records prescribed herein, supplemental records of land and land rights held for future use shall be kept in such manner as to permit the segregation within a reasonable time of the land and land rights constituting (1) productive but nonproducing fields, (2) unproven or undeveloped fields, and (3) storage fields, and to show the following data with respect to each natural gas lease, regardless of the accounting treatment accorded the lease costs; (a) name of lessor,

(b) location of leasehold and number or other identification assigned thereto, (c) date and period of lease agreement, (d) first cost of lease including details of the elements of such cost, (e) annual rental provisions, (f) date and cost of drilling, (g) date gas determined to exist, (h) date of completion of first well drilled by the utility in each pool of gas, (i) royalty provisions, (j) amortization and depletion provisions, and (k) date of abandonment of lease.

H. Provision shall be made for amortizing amounts carried in the accounts for limited-term interests in land, so as to apportion equitably the cost of each interest over the life thereof. For the purposes of amortization of natural gas rights, separate interests in land which comprise an interest in a production area may be grouped to form a depletion unit. (See account 111.1, Accumulated Provision for Amortization and Depletion of Producing Natural Gas Land and Land Rights, account 113.1, Accumulated Provision for Abandonment of Leases, and account 111.3, Accumulated Provision for Amortization of Other Gas Plant in Service; also account 404.1, Amortization and Depletion of Producing Natural Gas Land and Land Rights, account 404.3, Amortization of Other Limited-Term Gas Plant, and account 797, Abandoned Leases.)

I. The items of cost to be included in the accounts for land and land rights are as follows:

1. Bulkheads, buried, not requiring maintenance or replacement.
2. Cost, first, of acquisition including mortgages and other liens assumed (but not subsequent interest thereon).
3. Clearing (first cost) the land of brush, trees, and debris.
4. Condemnation proceedings, including court and counsel costs.
5. Consents and abutting damages, payment for.
6. Conveyancers' and notaries' fees.
7. Fees, commissions, and salaries to brokers, agents, and others in connection with the acquisition of the land or land rights.
8. Grading the land, except when directly occasioned by the building of a structure.
9. Leases, cost of voiding upon purchase to secure possession of land.
10. Removing, relocating, or reconstructing, property of others, such as buildings, highways, railroads, bridges, cemeteries, churches, telephone and power lines, etc., in order to acquire quiet possession.
11. Retaining walls unless identified with structures.
12. Special assessments levied by public authorities for public improvements on the basis of benefits for new roads, new bridges, new sewers, new curbing, new pavements, and other public improvements, but not taxes levied to provide for the maintenance of such improvements.
13. Surveys in connection with the acquisition, but not amounts paid for topographical surveys and maps where such costs are attributable to structures or plant equipment erected or to be erected or installed on such land.
14. Taxes assumed, accrued to date of transfer of title.
15. Title, examining, clearing, insuring, and registering in connection with the acquisition and defending against claims relating to the period prior to the acquisition.
16. Appraisals prior to closing title.
17. Cost of dealing with distributees or legatees residing outside of the state or county, such as recording power of attorney, recording will or exemplification of will, recording satisfaction of state tax.
18. Filing satisfaction of mortgage.
19. Documentary stamps.
20. Photographs of property at acquisition.
21. Fees and expenses incurred in the acquisition of water rights, and grants.
22. Cost of fill to extend bulkhead line over land under water, where riparian rights are held, which is not occasioned by the erection of a structure.
23. Sidewalks and curbs constructed by the utility on public property.
24. Labor and expenses in connection with securing rights of way, where performed by company employees and company agents.

8. *Structures and improvements.* A. The accounts for structures and improvements shall include the cost of all buildings and facilities to house, support, or safeguard property or persons, including all fixtures permanently attached to and made a part of buildings and which cannot be removed therefrom without cutting into the walls, ceilings, or floors, or without in some way impairing the buildings, and improvements of a permanent character on or to land.

B. The cost of specially provided foundations not intended to outlast the machinery or apparatus for which provided, and the cost of angle irons, castings, etc., installed at the base of an item of equipment, shall be charged to the same account as the cost of the machinery, apparatus, or equipment.

C. Minor buildings and structures may be considered a part of the facility in connection with which constructed or operated and the cost thereof accounted for accordingly when the nature of the structure and facility indicates the correctness of such accounting.

D. Where furnaces and boilers are used primarily for furnishing steam for some particular department and only incidentally for furnishing steam for heating a building and operating the equipment therein, the entire cost of such furnaces and boilers shall be charged to the appropriate plant account, and no part to the building account.

E. The cost of disposing of materials excavated in connection with construction of structures shall be considered as a part of the cost of such work, except as follows: (a) When such material is used for filling, the cost of loading, hauling, and dumping shall be equitably apportioned between the work in connection with which the removal occurs and the work in connection with which the material is used; (b) when such material is sold, the net amount realized from such sales shall be credited to the work in connection with which the removal occurs. If the amount realized from the sale of excavated materials exceeds the removal costs and the costs in connection with the sale, the excess shall be credited to the land account in which the site is carried.

F. Lighting or other fixtures temporarily attached to buildings for purposes of display or demonstration shall not be included in the cost of the building but in the appropriate equipment account.

G. The items of cost to be included in the accounts for structures and improvements are as follows:

1. Architects' plans and specifications including supervision.
2. Ash pits (when located within the building).
3. Athletic field structures and improvements.
4. Boilers, furnaces, piping, wiring, fixtures, and machinery for heating, lighting, signaling, ventilating, and air conditioning systems, plumbing, vacuum cleaning systems, incinerator and smoke pipe, flues, etc.
5. Bulkheads, including dredging, riprap fill, piling, decking, concrete, fenders, etc., when exposed and subject to maintenance and replacement.
6. Chimneys.
7. Coal bins and bunkers.
8. Commissions and fees to brokers, agents, architects and others.
9. Conduit (not to be removed) with its contents.
10. Damages to abutting property during construction.
11. Docks.
12. Door checks and door stops.
13. Drainage and sewerage systems.
14. Elevators, cranes, hoists, etc., and the machinery for operating them.
15. Excavation, including shoring, bracing, bridging, refill, and disposal of excess excavated material, cofferdams around foundation, pumping water from cofferdam during construction, and test borings.
16. Fences and fence curbs (not including protective fences insolating items of equipment, which shall be charged to the appropriate equipment account).
17. Fire protection systems when forming a part of a structure.
18. Flagpole.
19. Floor covering (permanently attached).
20. Foundations and piers for machinery, constructed as a permanent part of a building or other items listed herein.
21. Grading and clearing when directly occasioned by the building of a structure.
22. Holders—Relief.
23. Intrasite communication system, poles, pole fixtures, wires and cables.
24. Landscaping, lawns, shrubbery, etc.
25. Leases, voiding upon purchase to secure possession of structures.
26. Leased property, expenditures on.
27. Lighting fixtures and outside lighting system.
28. Mailchutes when part of a building.
29. Marquee, permanently attached to building.
30. Painting, first cost.
31. Permanent paving, concrete, brick, flagstone, asphalt, etc. within the property lines.
32. Partitions, including movable.
33. Permits and privileges.
34. Platforms, railings and gratings when constructed as a part of a structure.
35. Power boards for services to a building.
36. Refrigerating systems for general use.
37. Retaining walls except when identified with land.
38. Roadways, railroads, bridges, and trestles, intrasite, except railroads provided for in equipment accounts.
39. Roofs.
40. Scales, connected to and forming a part of a structure.
41. Screens.
42. Sewer systems, for general use.
43. Sidewalks, culverts, curbs and streets constructed by the utility on its property.
44. Sprinkling systems.
45. Sump pumps and pits.
46. Stacks—brick, steel, or concrete, when set on foundation forming part of general foundation and steelwork of a building.
47. Steel inspection during construction.
48. Storage facilities constituting a part of a building.
49. Storm doors and windows.
50. Subways, areaways, and tunnels, directly connected to and forming part of a structure.
51. Tanks, constructed as part of a building or as a distinct structural unit.

52. Temporary heating during construction (net cost).
53. Temporary water connection during construction (net cost).
54. Temporary shanties and other facilities used during construction (net cost).
55. Topographical maps.
56. Tunnels, intake and discharge, when constructed as part of a structure, including sluice gates, and those constructed to house mains.
57. Vaults constructed as part of a building.
58. Watchmen's sheds and clock systems (net cost when used during construction only).
59. Water basins or reservoirs.
60. Water front improvements.
61. Water meters and supply system for a building or for general company purposes.
62. Water supply piping, hydrants and wells.
63. Wharves.
64. Window shades and ventilators.
65. Yard drainage system.
66. Yard lighting system.
67. Yard surfacing, gravel, concrete, or oil. (First cost only.)

NOTE: Structures and Improvements accounts shall be credited with the cost of coal bunkers, stacks, foundations, subways, tunnels, etc., the use of which has terminated with the removal of the equipment with which they are associated even though they have not been physically removed.

9. *Equipment.* A. The cost of equipment chargeable to the gas plant accounts, unless otherwise indicated in the text of an equipment account, includes the net purchase price thereof, sales taxes, investigation and inspection expenses necessary to such purchase, expenses of transportation when borne by the utility, labor employed, materials and supplies consumed, and expenses incurred by the utility in unloading and placing the equipment in readiness to operate.

B. Exclude from equipment accounts hand and other portable tools which are likely to be lost or stolen or which have relatively small value (for example, $50 or less) or short life, unless the correctness of the accounting therefor as gas plant is verified by current inventories. Special tools acquired and included in the purchase price of equipment shall be included in the appropriate plant account. Portable drills and similar tool equipment when used in connection with the operation and maintenance of a particular plant or department, such as production, transmission, distribution, etc., or in "stores," shall be charged to the plant account appropriate for their use.

C. The equipment accounts shall include angle irons and similar items which are installed at the base of an item of equipment, but piers and foundations which are designed to be as permanent as the buildings which house the equipment, or which are constructed as a part of the building and which cannot be removed without cutting into the walls, ceilings or floors or without in some way impairing the building, shall be included in the building accounts.

D. The equipment accounts shall include the necessary costs of testing or running a plant or part thereof during an experimental or test period prior to becoming available for service. The utility shall furnish the Commission with full particulars of and justification for any test or experimental run extending beyond a period of thirty days.

E. The cost of efficiency or other tests made subsequent to the date equipment becomes available for service shall be charged to the appropriate expense accounts, except that tests to determine whether equipment meets the specifications and requirements as to efficiency, performance, etc., guaranteed by manufacturers, made after operations have commenced and within the period specified in the agreement or contract of purchase, may be charged to the appropriate gas plant account.

10. *Additions and retirements of gas plant.* A. For the purpose of avoiding undue refinement in accounting for additions to and retirements and replacements of gas plant, all property shall be considered as consisting of (1) retirement units and (2) minor items of property. Each utility shall use such list of retirement units as is in use by it at the effective date hereof or as may be prescribed by the Commission, with the option, however, of using smaller units, provided the utility's practice in this respect is consistent.

B. The addition and retirement of retirement units shall be accounted for as follows:

(1) When a retirement unit is added to gas plant, the cost thereof shall be added to the appropriate gas plant account, except that when units are acquired in the acquisition of any gas plant constituting an operating system, they shall be accounted for as provided in gas plant instruction 5.

(2) When a retirement unit is retired from gas plant, with or without replacement, the book cost thereof shall be credited to the gas plant account in which it is included, determined in the manner set forth in paragraph D, below. If the retirement unit is of a depreciable class, the book cost of the unit retired and credited to gas plant shall be charged to the accumulated provision for depreciation applicable to such property. The cost of removal and the salvage shall be charged or credited, as appropriate, to such depreciation account.

C. The addition and retirement of minor items of property shall be accounted for as follows:

(1) When a minor item of property which did not previously exist is added to plant, the cost thereof shall be accounted for in the same manner as for the addition of a retirement unit, as set forth in paragraph B(1), above, if a substantial addition results, otherwise the charge shall be to the appropriate maintenance expense account.

(2) When a minor item of property is retired and not replaced, the book cost thereof shall be credited to the gas plant account in which it is included; and, in the event the minor item is a part of depreciable plant, the account for accumulated provision for depreciation shall be charged with the book cost and cost of removal and credited with the salvage. If, however, the book cost of the minor item retired and not replaced has been or will be accounted for by its inclusion in the retirement unit of which it is a part when such unit is retired, no separate credit to the property account is required when such minor item is retired.

(3) When a minor item of depreciable property is replaced independently of the retirement unit of which it is a part, the cost of replacement shall be charged to the maintenance account appropriate for the item, except that if the replacement effects a substantial betterment (the primary aim of which is to make the property affected more useful, more efficient, or of greater durability, or of greater capacity), the excess cost of the replacement over the estimated cost at current prices of replacing without betterment shall be charged to the appropriate gas plant account.

D. The book cost of gas plant retired shall be the amount at which such property is included in the gas plant accounts, including all components of construction costs. The book cost shall be determined from the utility's records and if this cannot be done, it shall be estimated. When it is impracticable to determine the book cost of each unit, due to the relatively large number or small cost thereof, an appropriate average book cost of the units, with due allowance for any differences in size and character, shall be used as the book cost of the units retired.

E. The book cost of land retired shall be credited to the appropriate land account. If the land is sold, the difference between the book cost (less any accumulated provision for depreciation, depletion, or amortization therefor which has been authorized and provided) and the sale price of the land (less commissions and other expenses of making the sale) shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus, as appropriate. If the land is not used in utility service but is retained by the utility, the book cost shall be charged to account 105, Gas Plant Held for Future Use, or account 121, Nonutility Property, as appropriate.

F. The book cost less net salvage of depreciable gas plant retired shall be charged in its entirety to account 108, Accumulated Provision for Depreciation of Gas Plant in Service. Any amounts which, by approval or order of the Commission, are charged to account 182, Extraordinary Property Losses, shall be credited to account 108.

G. The accounting for the retirement of amounts included in account 302, Franchises and Consents, and account 303, Miscellaneous Intangible Plant, and the items of limited-term interest in land included in the accounts for land and land rights, shall be as provided for in the text of account 111.3, Accumulated Provision for Amortization of Other Gas Plant in Service, account 404.3, Amortization of Other Limited-Term Gas Plant, and account 405, Amortization of Other Gas Plant.

11. *Work order and property record system required.* A. Each utility shall record all construction and retirements of gas plant by means of work orders or job orders. Separate work orders may

be opened for additions to and retirements of gas plant or the retirements may be included with the construction work order, provided, however, that all items relating to the retirements shall be kept separate from those relating to construction and provided, further, that any maintenance costs involved in the work shall likewise be segregated.

B. Each utility shall keep its work order system so as to show the nature of each addition to or retirement of gas plant, the total cost thereof, the source or sources of costs, and the gas plant account or accounts to which charged or credited. Work orders covering jobs of short duration may be cleared monthly.

C. Each utility shall maintain records in which, for each plant account, the amounts of the annual additions and retirements, subsequent to the effective date of this system of accounts, are classified so as to show the number and cost of the various record units or retirement units.

12. *Transfers of property.* When property is transferred from one gas plant account to another, from one utility department to another, such as from gas to electric, from one operating division or area to another, to or from accounts 101, Gas Plant in Service, 104, Gas Plant Leased to Others, 105, Gas Plant Held for Future Use, and 121, Nonutility Property, the transfer shall be recorded by transferring the original cost thereof from the one account, department, or location to the other. Any related amounts carried in the accounts for accumulated provisions for depreciation, depletion, or amortization shall be transferred in accordance with the segregation of such accounts.

NOTE: Amounts included in account 113.1, Accumulated Provision for Abandonment of Leases, shall not be related to a particular lease, and, therefore, shall not be transferred under the provisions of this instruction.

13. *Common utility plant.*

A. If the utility is engaged in more than one utility service such as gas, electric, and water, and any of its utility plant is used in common for several utility services or for other purposes to such an extent and in such manner that it is impracticable to segregate it by utility services currently in the accounts, such property, with the approval of the Commission, may be designated and classified as "common utility plant."

B. The book amount of utility plant designated as common plant shall be included in account 118, Other Utility Plant, and if applicable in part to gas department, shall be segregated and accounted for in subaccounts as gas plant is accounted for in accounts 101 to 107, inclusive, and gas plant adjustments in account 116; any amounts classifiable as common plant acquisition adjustments or common plant adjustments shall be subject to disposition as provided in paragraph C and B of accounts 114 and 116, respectively, for amounts classified in those accounts. The original cost of common utility plant in service shall be classified according to detailed utility plant accounts appropriate for the property.

C. The utility shall be prepared to show at any time and to report to the Commission annually, or more frequently, if required, and by utility plant accounts (301 to 399) the following: (1) the book cost of common utility plant, (2) the allocation of such cost to the respective departments using the common utility plant, and (3) the basis of the allocation.

D. The accumulated provision for depreciation and amortization of the utility shall be segregated so as to show the amount applicable to the property classified as common utility plant.

E. The expenses of operation, maintenance, rents, depreciation and amortization of common utility plant shall be recorded in the accounts prescribed herein, but designated as common expenses, and the allocation of such expenses to the departments using the common utility plant shall be supported in such manner as to reflect readily the basis of allocation used.

14. *Transmission and distribution plant.* For the purposes of this system of accounts:

A. "Transmission System" means the land, structures, mains, valves, meters, boosters, regulators, tanks, compressors and their driving units and appurtenances, and other equipment used primarily for transmitting gas from a production plant, delivery point of purchased gas, gathering system, storage area, or other wholesale source of gas, to one or more distribution areas. The transmission system begins at the outlet side of the valve at the connection to the last equipment in a manufactured gas plant, the connection to gathering lines or delivery point of purchased gas, and includes the equipment at such connection that is used to bring the gas to transmission pressure, and ends at the inlet side of the equipment which meters or regulates the entry of gas into the distribution system or into a storage area. It does not include storage land, structures or equipment. Pipeline companies, however, shall include city gate and main line industrial measuring and regulating stations in the transmission function, except that where pipeline companies measure deliveries of gas to their own distribution systems they shall have the option, if consistently observed, of including such stations either in the transmission or distribution function for the purposes of this system of accounts.

B. "Distribution System" means the mains which are provided primarily for distributing gas within a distribution area, together with land, structures, valves, regulators, services and measuring devices, including the mains for transportation of gas from production plants or points of receipt located within such distribution area to other points therein. The distribution system begins at the inlet side of the equipment which meters or regulates the entry of gas into the distribution system and ends with and includes property on the customer's premises. It does not include storage land, structures, or equipment.

C. "Distribution Area" as used herein means a metropolitan area or other urban area comprising one or more adjacent or nearby cities, villages or unincorporated areas, including developed areas contiguous to main highways.

15. *Employee villages and living quarters.* Where employee villages or living quarters are provided for operators and attendants of a functional installation such as a compressor station or gasoline plant, the structures and improvements shall be classified in the related functional structures and improvements account. The furnishings of such residential and recreational facilities shall be classified in the equipment account of the related function.

Operating Expense Instructions

1. *Supervision and engineering.* The supervision and engineering includible in the operating expense accounts shall consist of the pay and expenses of superintendents, engineers, clerks, other employees and consultants engaged in supervising and directing the operation and maintenance of each utility function. Wherever allocations are necessary in order to arrive at the amount to be included in any account the method and basis of allocation shall be reflected by underlying records.

ITEMS

Labor:

1. Special tests to determine efficiency of equipment operation.
2. Preparing or reviewing budgets, estimates, and drawings relating to operation or maintenance for departmental approval.
3. Preparing instructions for operations and maintenance activities.
4. Reviewing and analyzing operating results.
5. Establishing organizational setup of departments and executing changes therein.
6. Formulating and reviewing routines of departments and executing changes therein.
7. General training and instruction of employees by supervisors whose pay is chargeable hereto. Specific instruction and training in a particular type of work is chargeable to the appropriate functional account.
8. Secretarial work for supervisory personnel, but not general clerical and stenographic work chargeable to other accounts.

Expenses:

9. Consultants' fees and expenses.
10. Meals, traveling and incidental expenses.

2. *Maintenance.* A. The cost of maintenance chargeable to the various operating expense and clearing accounts includes labor, materials, overheads and other expenses incurred in maintenance work. A list of work operations applicable generally to utility plant is included hereunder. Other work operations applicable to specific classes of plant are listed in functional maintenance expense accounts.

B. Materials recovered in connection with the maintenance of property shall be credited to the same account to which the maintenance cost was charged.

C. If the book cost of any property is carried in account 102, Gas Plant Purchased or Sold, the cost of maintaining such property shall be charged to the accounts for maintenance of property of the same class and use, the book cost of which is carried in other gas plant in service accounts. Maintenance of property leased from others shall be treated as provided in operating expense instruction 3.

ITEMS

1. Direct field supervision of maintenance.
2. Inspecting, testing, and reporting on condition of plant specifically to determine the need for repairs, replacements, rearrangements and changes and inspecting and testing the adequacy of repairs which have been made.
3. Work performed specifically for the purpose of preventing failure, restoring serviceability or maintaining life of plant.
4. Rearranging and changing the location of plant not retired.
5. Repairing for reuse materials recovered from plant.
6. Testing for, locating and clearing trouble.
7. Net cost of installing, maintaining, and removing temporary facilities to prevent interruptions in service.
8. Replacing or adding minor items of plant which do not constitute a retirement unit. (See gas plant instruction 10.)

3. *Rents.* A. The rent expense accounts provided under the several functional groups of expense accounts shall include all rents, including taxes paid by the lessee on leased property, for property used in utility operations, except (1) minor amounts paid for occasional or infrequent use of any property or equipment and all amounts paid for use of equipment that, if owned, would be inculdible in plant accounts 391 to 398, inclusive, which shall be treated as an expense item and included in the appropriate functional account and (2) rents which are chargeable to clearing accounts, and distributed therefrom to the appropriate account. If rents cover property used for more than one function, such as production and transmission, or by more than one department, the rents shall be apportioned to the appropriate rent expense or clearing accounts of each department on an actual, or, if necessary, an estimated basis.

B. When a portion of property or equipment rented from others for use in connection with utility operations is subleased, the revenue derived from such subleasing shall be credited to the rent revenue account in operating revenues: *Provided, however,* That in case the rent was charged to a clearing account, amounts received from subleasing the property shall be credited to such clearing account.

C. The cost, when incurred by the lessee, of operating and maintaining leased property, shall be charged to the accounts appropriate for the expense if the property were owned.

D. The cost incurred by the lessee of additions and replacements to gas plant leased from others shall be accounted for as provided in gas plant instruction 6.

Balance Sheet Accounts

ASSETS AND OTHER DEBITS

1. UTILITY PLANT

UTILITY PLANT

Gas plant.

101 Gas plant in service.
102 Gas plant purchased or sold.
103 Gas plant in process of reclassification.
104 Gas plant leased to others.
105 Gas plant held for future use.
106 Completed construction not classified—Gas.
107 Construction work in progress—Gas.

Accumulated provision for depreciation and amortization.

108 Accumulated provision for depreciation of gas plant in service.
109 Accumulated provision for depreciation of gas plant leased to others.
110 Accumulated provision for depreciation of gas plant held for future use.
111.1 Accumulated provision for amortization and depletion of producing natural gas lands and land rights.
111.2 Accumulated provision for amortization of underground storage land and land rights.
111.3 Accumulated provision for amortization of other gas plant in service.
112 Accumulated provision for amortization and depletion of gas plant leased to others.
113.1 Accumulated provision for abandonment of leases.
113.2 Accumulated provision for amortization of other gas plant held for future use.
114 Gas plant acquisition adjustments.
115 Accumulated provision for amortization of gas plant acquisition adjustments.
116 Other gas plant adjustments.
117 Gas stored underground—Noncurrent.
118 Other utility plant.
119 Accumulated provision for depreciation and amortization of other utility plant.

2. OTHER PROPERTY AND INVESTMENTS

121 Nonutility property.
122 Accumulated provision for depreciation and amortization of nonutility property.
123 Investment in associated companies.
124 Other investments.

Special funds.

125 Sinking funds.
126 Depreciation fund.
128 Other special funds.

3. CURRENT AND ACCRUED ASSETS

131 Cash.

Special deposits.

132 Interest special deposits.
133 Dividend special deposits.
134 Other special deposits.
135 Working funds.
136 Temporary cash investments.

Notes and accounts receivable.

141 Notes receivable.
142 Customer accounts receivable.
143 Other accounts receivable.
144 Accumulated provision for uncollectible accounts—Cr.

Receivables from associated companies.

145 Notes receivable from associated companies.
146 Accounts receivable from associated companies.

Materials and supplies.

151 Fuel stock.
152 Fuel stock expenses undistributed.
153 Residuals and extracted products.
154 Plant materials and operating supplies.
155 Merchandise.
156 Other materials and supplies.
163 Stores expense undistributed.
164 Gas stored underground—Current.
165 Prepayments.

Other current and accrued assets.

171 Interest and dividends receivable.
172 Rents receivable.
173 Accrued utility revenues.
174 Miscellaneous current and accrued assets.

4. DEFERRED DEBITS

181 Unamortized debt discount and expense.
182 Extraordinary property losses.

Other deferred debits.

183.1 Preliminary natural gas survey and investigation charges.
183.2 Other preliminary survey and investigation charges.
184 Clearing accounts.
185 Temporary facilities.
186 Miscellaneous deferred debits.

LIABILITIES AND OTHER CREDITS

5. PROPRIETARY CAPITAL

Common capital stock.

201 Common stock issued.
202 Common stock subscribed.
203 Common stock liability for conversion.

Preferred capital stock.

204 Preferred stock issued.
205 Preferred stock subscribed.
206 Preferred stock liability for conversion.

Other paid-in capital.

207 Premium on capital stock.
208 Donations received from stockholders.
209 Reduction in par or stated value of capital stock.
210 Gain on resale or cancellation of reacquired capital stock.
211 Miscellaneous paid-in capital.
212 Installments received on capital stock.
213 Discount on capital stock.
214 Capital stock expense.
215 Appropriated earned surplus.
216 Unappropriated earned surplus.
217 Reacquired capital stock.

6. LONG-TERM DEBT

Bonds.

221 Bonds.
222 Reacquired bonds.
223 Advances from associated companies.
224 Other long-term debt.

7. CURRENT AND ACCRUED LIABILITIES

231 Notes payable.
232 Accounts payable.

Payables to associated companies.

233 Notes payable to associated companies.
234 Accounts payable to associated companies.
235 Customer deposits.
236 Taxes accrued.
237 Interest accrued.

Other current and accrued liabilities.

238 Dividends declared.
239 Matured long-term debt.
240 Matured interest.
241 Tax collections payable.
242 Miscellaneous current and accrued liabilities.

8. DEFERRED CREDITS

251 Unamortized premium on debt.
252 Customer advances for construction.
253 Other deferred credits.

9. OPERATING RESERVES

261 Property insurance reserve.
262 Injuries and damages reserve.
263 Pensions and benefits reserve.
265 Miscellaneous operating reserves.

10. CONTRIBUTIONS IN AID OF CONSTRUCTION

271 Contributions in aid of construction.

11. ACCUMULATED DEFERRED INCOME TAXES

281 Accumulated deferred income taxes—Accelerated amortization.
282 Accumulated deferred income taxes—Liberalized depreciation.
283 Accumulated deferred income taxes—Other.

Balance Sheet Accounts

1. Utility Plant

101 Gas plant in service.

A. This account shall include the original cost of gas plant, included in accounts 301 to 399 prescribed herein, owned and used by the utility in its gas operations, and having an expectation of life in service of more than one year from date of installation. Including such property owned by the utility but held by nominees. (See also account 106 for unclassified construction costs of completed plant actually in service.)

B. The cost of additions to and betterments of property leased from others, which are includible in this account, shall be recorded in subdivisions separate and distinct from those relating to owned property. (See gas plant instruction 6.)

102 Gas plant purchased or sold.

A. This account shall be charged with the cost of gas plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise, and shall be credited with the selling price of like property transferred to others pending the distribution to appropriate accounts in accordance with gas plant instruction 5.

B. Within six months from the date of acquisition or sale of property recorded herein, the utility shall file with the Commission the proposed journal entries to clear from this account the amounts recorded herein.

103 Gas plant in process of reclassification.

A. This account shall include temporarily the balance of gas plant as of the effective date of the prior system of accounts, which has not yet been reclassified as of the effective date of this system of accounts. The detailed or primary accounts in support of this account employed prior to such date shall be continued pending reclassification into the gas plant accounts herein prescribed (301–399), but shall not be used for additions, betterments, or new construction.

B. No charges other than as provided in paragraph A above, shall be made to this account, but retirements of such unclassified gas plant shall be credited hereto and to the supporting (old) fixed capital accounts until the reclassification shall have been accomplished.

104 Gas plant leased to others.

A. This account shall include the original cost of gas plant owned by the utility, but leased to others as operating units or systems, where the lessee has exclusive possession.

B. The property included in this account shall be classified according to the detailed accounts (301 to 399) prescribed for gas plant in service and this account shall be maintained in such detail as though the property were used by the owner in its utility operations.

105 Gas plant held for future use.

A. This account shall include the original cost of gas plant owned and held for future use in gas service under a definite plan for such use. There shall be included herein property acquired but never used by the utility in gas service, but held for such service in the future under a definite plan, and property previously used by the utility in gas service, but retired from such service and held pending its reuse in the future, under a definite plan, in gas service. This includes land and land rights held to insure a future supply of natural gas.

B. The property included in this account shall be classified according to the detailed accounts (301 to 399) prescribed for gas plant in service and the account shall be maintained in such detail as though the property were in service.

Note A. Materials and supplies, meters and house regulators held in reserve, and normal spare capacity of plant in service shall not be included in this account.

Note B. Include in this account natural gas wells shut in after construction which have not been connected with the line; also, natural gas wells which have been connected with the line but which are shut in for any reason excepting seasonal excess capacity or governmental proration requirements or for repairs.

106 Completed construction not classified—Gas.

At the end of the year or such other date as a balance sheet may be required by the Commission, this account shall include the total of the balances of work orders for gas plant which has been completed and placed in service but which work orders have not been classified for transfer to the detailed gas plant accounts.

Note. For the purpose of reporting to the Commission the classification of gas plant in service by accounts is required, the utility shall also report the balance in this account tentatively classified as accurately as practicable according to prescribed account classifications. The purpose of this provision is to avoid any significant omissions in reported amounts of gas plant in service.

107 Construction work in progress—Gas.

A. This account shall include the total of the balances of work orders for gas plant in process of construction.

B. Work orders shall be cleared from this account as soon as practicable after completion of the job. Further, if a project, such as a gas production plant, a compressor station, or a transmission line, is designed to consist of two or more units which may be placed in service at different dates, any expenditures which are common to and which will be used in the operation of the project as a whole shall be included in gas plant in service upon the completion and the readiness for service of the first unit. Any expenditures which are identified exclusively with units of property not yet in service shall be included in this account.

108 Accumulated provisions for depreciation of gas plant in service.

A. This account shall be credited with the following:

(1) Amounts charged to account 403, Depreciation Expense, to account 416, Cost and Expenses of Merchandising, Jobbing, and Contract Work or to clearing accounts for current depreciation expense.

(2) Amounts charged to account 435, Miscellaneous Debits to Surplus, for past accrued depreciation.

(3) Amounts of depreciation applicable to gas properties acquired as operating units or systems. (See gas plant instruction 5.)

(4) Amounts charged to account 182, Extraordinary Property Losses, when authorized by the Commission.

(5) Amounts of depreciation applicable to gas plant donated to the utility.

B. At the time of retirement of depreciable gas plant in service, this account shall be charged with the book cost of the property retired and the cost of removal, and shall be credited with the salvage value and any other amounts recovered, such as insurance. When retirements, cost of removal and salvage are entered originally in retirement work orders, the net total of such work orders may be included in a separate subaccount hereunder. Upon completion of the work order, the proper distribution to subdivisions of this account shall be made as provided in the following paragraph.

C. For general ledger and balance sheet purposes, this account shall be regarded and treated as a single composite provision for depreciation. For purposes of analysis, however, each utility shall maintain subsidiary records in which this account is segregated according to the following functional classification for gas plant: (1) Production—manufactured gas, (2) Production and gathering—natural gas, (3) Products extraction—natural gas, (4) Underground gas storage, (5) Local storage, (6) Transmission, (7) Distribution, and (8) General. These subsidiary records shall reflect the current credits and debits to this account in sufficient detail to show separately for each such functional classification (a) the amount of provision for depreciation, (b) the book cost of property retired, (c) cost of removal, (d) salvage, and (e) other items, including recoveries from insurance.

D. When transfers of plant are made from one gas plant account to another, or from or to another utility department, or from or to nonutility property accounts, the accounting for the related accumulated provision for depreciation shall be as provided in gas plant instruction 12.

E. The utility is restricted in its use of the provision for depreciation to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

109 Accumulated provision for depreciation of gas plant leased to others.

A. This account shall be credited with amounts charged to account 413, Expenses of Gas Plant Leased to Others, for current depreciation expense or to account 435, Miscellaneous Debits to Surplus, for past accrued depreciation of property included in account 104, Gas Plant Leased to Others. Include, also, credits for depreciation applicable to plant acquired as operating units or systems, to plant donated to the utility or

for losses transferred to account 182, Extraordinary Property Losses.

B. The requirements of account 108, Accumulated Provision for Depreciation of Gas Plant in Service, regarding retirements chargeable thereto and of subsidiary data to be maintained shall be applicable likewise to this account.

C. The utility is restricted in its use of the accumulated provision for depreciation to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

110 Accumulated provision for depreciation of gas plant held for future use.

A. This account shall be credited with amounts charged to account 421, Miscellaneous Nonoperating Income, for depreciation expense on property included in account 105, Gas Plant Held for Future Use. Include also the balance of accumulated provision for depreciation on property which may be transferred to account 105, Gas Plant Held for Future Use, from other property accounts.

B. The utility is restricted in its use of the accumulated provision for depreciation to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

NOTE: Normally, this account will not be used for current depreciation provisions because, as provided herein, the service life during which depreciation is computed commences with the date property is includible in gas plant in service. However, if special circumstances indicate the propriety of current accruals for depreciation, such charges shall be made to account 421, Miscellaneous Nonoperating Income.

111.1 Accumulated provision for amortization and depletion of producing natural gas land and land rights.

A. This account shall be credited with amounts charged to account 404.1, Amortization and Depletion of Producing Natural Gas Land and Land Rights, to provide for the current amortization and depletion of land and land rights from which natural gas is obtained. (See gas plant instruction 7–H).

B. This account shall also be credited with such amounts as are necessary to reflect, as of the effective date of this system of accounts, the portion of the cost of land and land rights which have been exhausted through the extraction of natural gas. To the extent that provision has not been made for amortization and depletion of such land and land rights, amounts credited to this account shall be concurrently debited to account 435, Miscellaneous Debits to Surplus.

C. When any property to which this account applies is sold, relinquished, or otherwise retired from service, this account shall be charged with the amount previously credited in respect to such property. The book cost of the property so retired less the amount chargeable to this account and less the net proceeds realized at retirement shall be included in account 435, Miscellaneous Debits to Surplus, or account 434, Miscellaneous Credits to Surplus, as appropriate.

D. Records shall be maintained so as to show separately the balance applicable to each item of land and land rights which is being amortized or depleted, except that natural gas land and land rights which comprise an interest in a production area may be grouped to form a unit for amortization and depletion and the accumulated provision applicable thereto need not be segregated to show the amount related to each gas right included therein.

E. The utility is restricted in its use of the accumulated provision for amortization and depletion to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

111.2 Accumulated provision for amortization of underground storage land and land rights.

A. This account shall be credited with amounts charged to account 404.2, Amortization of Underground Storage Land and Land Rights, to provide for current amortization of land and land rights utilized in connection with underground gas storage operations.

B. This account also shall include all amounts of accumulated past provisions for amortization and depletion of natural gas lands and land rights converted to underground gas storage purposes. These amounts shall be transferred to this account from other accounts in which included on conversion of such property to underground storage use.

C. When any property to which this account applies is sold, relinquished, or otherwise retired from service, this account shall be charged with the amount previously credited in respect to such property. The book cost of the property so retired less the amount chargeable to this account and less the net proceeds realized at retirement shall be included in account 435, Miscellaneous Debits to Surplus, or account 434, Miscellaneous credits to Surplus, as appropriate.

D. Records shall be maintained so as to show separately the balance applicable to each underground gas storage project.

E. The utility is restricted in its use of the provision to the purposes set forth above. It shall not transfer any portion of the account to surplus or make any other use thereof without authorization by the Commission.

111.3 Accumulated provision for amortization of other gas plant in service.

A. This account shall be credited with amounts charged to account 404.3, Amortization of Other Limited-Term Gas Plant for the current amortization of limited-term gas investments, or to account 435, Miscellaneous Debits to Surplus, for past accrued amortization. It shall be credited also with amounts which may be charged to account 405, Amortization of Other Gas Plant, to account 425, Miscellaneous Amortization, or to account 435, Miscellaneous Debits to Surplus, to amortize intangible or other gas plant which is not subject to charges for depreciation expense and for which the accumulated amortization is not includible in either of the preceding accounts.

B. When any property to which this account applies is sold, relinquished, or otherwise retired from service, this account shall be charged with the amount previously credited in respect to such property. The book cost of the property so retired less the amount chargeable to this account and less the net proceeds realized at retirement shall be included in account 435, Miscellaneous Debits to Surplus, or account 434, Miscellaneous Credits to Surplus, as appropriate.

C. Records shall be maintained so as to show separately the balance applicable to each class of property which is being amortized.

D. The utility is restricted in its use of the accumulated provision for amortization to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

112 Accumulated provision for amortization and depletion of gas plant leased to others.

A. This account shall be credited with amounts charged to account 413, Expenses of Gas Plant Leased to Others, for the current amortization and depletion of producing gas lands, limited-term, or other investments subject to amortization included in account 104, Gas Plant Leased to Others, or to account 435, Miscellaneous Debits to Surplus, for past accrued amortization and depletion, including such amounts as may be applicable to underground gas storage property leased to others.

B. When any property to which this account applies is sold, relinquished, or otherwise retired from service, this account shall be charged with the amount previously credited in respect to such property. The book cost of the property so retired less the amount chargeable to this account and less the net proceeds realized at retirement shall be included in account 435, Miscellaneous Debits to Surplus, or account 434, Miscellaneous Credits to Surplus, as appropriate.

C. Records shall be maintained so as to show separately the balance applicable to each class of property which is being amortized. Amounts applicable to producing natural gas lands shall be shown in a separate account.

D. The utility is restricted in its use of the accumulated provision for amortization and depletion to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

113.1 Accumulated provision for abandonment of leases.

A. This account shall be credited with amounts concurrently charged to account 797, Abandoned Leases, for the purpose of providing for the costs of natural gas leases which may be abandoned and which have never been productive.

B. When such natural gas leases are abandoned, the cost thereof, including expenses incidental to abandonment, shall be charged to this account; provided, however, that any deficiency in this account at the time of abandonment

of the lease shall be charged to account 797, Abandoned Leases.

C. Records supporting this account shall be so kept as to show for each abandoned lease the date and period thereof, location, date abandoned, and the nature and amounts of the cost.

D. The utility is restricted in its use of the accumulated provision for amortization to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

NOTE: No provision shall be made in this account for the abandonment of producing natural gas leases, and the provisions of gas plant instruction 12, Transfers of Property, shall not apply to amounts included herein. (See account 111.1, Accumulated Provision for Amortization and Depletion of Producing Natural Gas Land and Land Rights.)

113.2 Accumulated provision for amortization of other gas plant held for future use.

A. This account shall be credited with amounts charged to account 421, Miscellaneous Nonoperating Income, for amortization expense on property included in account 105, Gas Plant Held for Future Use, not including, however, provisions for abandoned natural gas leases. Include, also, the balance of accumulated provision for amortization on property which may be transferred to account 105, Gas Plant Held for Future Use, from other property accounts.

B. The utility is restricted in its use of the accumulated provision for amortization to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

NOTE: Normally, this account will not be used for current amortization provisions because, as provided herein, the service life during which amortization is computed commences with the date property is includible in utility plant in service. However, if special circumstances indicate the propriety of current accruals for depreciation or amortization, such charges shall be made to account 421, Miscellaneous Nonoperating Income.

114 Gas plant acquisition adjustments.

A. This account shall include the difference between (a) the cost to the accounting utility of gas plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise, and (b) the original cost, estimated, if not known, of such property, less the amount or amounts credited by the accounting utility at the time of acquisition to accumulated provisions for depreciation, depletion, and amortization and contributions in aid of construction with respect to such property.

B. With respect to acquisitions after the effective date of this system of accounts, this account shall be subdivided so as to show the amounts included herein for each property acquisition and to gas plant in service, gas plant held for future use and gas plant leased to others. (See gas plant instruction 5.)

C. The amounts recorded in this account with respect to each property acquisition shall be amortized, or otherwise disposed of, as the Commission may approve or direct.

115 Accumulated provision for amortization of gas plant acquisition adjustments.

This account shall be credited or debited with amounts which are includible in account 406, Amortization of Gas Plant Acquisition Adjustments, account 425, Miscellaneous Amortization, or account 435, Miscellaneous Debits to Surplus, for the purpose of providing for the extinguishment of amounts in account 114, Gas Plant Acquisition Adjustments, in instances where the amortization of account 114 is not being made by direct write-off of the account.

116 Other gas plant adjustments.

A. This account shall include the difference between the original cost, estimated if not known, and the book cost of gas plant to the extent that such difference is not properly includible in account 114, Gas Plant Acquisition Adjustments.

B. Amounts included in this account shall be classified in such manner as to show the origin of each amount and shall be disposed of as the Commission may approve or direct.

NOTE: The provisions of this account shall not be construed as approving or authorizing the recording of appreciation of gas plant.

117 Gas stored underground—Noncurrent.

A. This account shall include the cost of gas purchased or produced by the utility which is stored in depleted or partially depleted gas or oil fields, or other underground reservoirs, and held for use in meeting service requirements of the utility's customers.

B. Gas stored during the year shall be priced at cost according to generally accepted methods of cost determination consistently applied from year to year. Transmission expenses for facilities of the utility used in moving the gas to the storage area and expenses of storage facilities shall not be included in the inventory of gas except as may be authorized or directed by the Commission.

NOTE B-1: In general, gas stored from the supply in an integrated system shall be priced at the average cost of the gas constituting the common supply of the system, although this general rule may be departed from where conditions of system operation of gas supply and utilization permit a valid presumption that the gas stored may be considered to be from specified sources, as indicated below.

NOTE B-2: When in harmony with the over-all system operation of gas supply and utilization, and the presumption is consistently observed from year to year, gas stored during the year may be presumed to be from total gas purchases, or from purchases from specified sources. When either of these presumptions is proper, the cost of gas stored shall be priced at the weighted average cost of all gas purchased, or at the weighted average cost of purchases from the specified sources, as appropriate. The weighted average cost may be the average for the preceding twelve months, except where a significant change occurs in the cost of gas, the full effect of such change shall be reflected for the period after the change is effective.

NOTE B-3: When in harmony with the over-all system operation of gas supply and utilization, and the presumptions are consistently observed from year to year, gas stored during the year may be presumed to be from identified sources of the utility's own production. Such stored gas shall be priced at the weighted average cost of gas produced from the specified production areas. Where this presumption is made, or where the stored gas is identified as a matter of fact under circumstances which do not permit a proper application of the theory of displacement, the utility shall maintain separate records of the cost of gas produced from such areas and the derivation of the cost used for stored gas from such sources.

NOTE B-4: Where gas is purchased specifically for storage, or a price concession received because of the storing of purchased gas, such gas shall be priced at the net contract price of the gas so purchased and stored.

NOTE B-5: The provisions of this instruction and the related footnotes shall not be construed as permitting or authorizing a restatement of the amounts at which stored gas inventories are stated on the utility's books at the effective date of this instruction, except as may be authorized by the Commission.

C. Withdrawals of gas may be priced according to the first-in-first-out, last-in-first-out, or weighted average cost method, in connection with which a "base stock" may be employed provided the method adopted by the utility is used consistently from year to year and the inventory records are maintained in accordance therewith. Approval of the Commission must be obtained for any other pricing method, or change in the pricing method adopted by the utility.

D. If the gas of any storage project is withdrawn below the amount established as "base stock" or encroaches upon native gas of a storage reservoir, and such gas is to be replaced within 12 months, it shall be permissible to price such gas at the estimated cost of replacement with purchased gas and to record a deferred credit therefor. For the purpose of this instruction, account 808, Gas Withdrawn from Underground Storage—Debit, shall be charged with the estimated cost of such replacement gas and account 253, Other Deferred Credits, credited. When replacement of the gas is made the amount in account 253 shall be cleared and this account credited. This accounting will not affect normal accounting for inputs and withdrawals from storage.

E. Separate records shall be maintained for each storage project of the Mcf of gas delivered to storage, withdrawn from storage, and remaining in storage. The projects shall be grouped, however, for the purpose of maintaining inventory cost records of the cost of gas in storage. Exceptions to this general rule are permitted in any of the following circumstances:

(a) Projects at the supply end of long transmission lines,

(b) Projects located on separate noninterconnected pipeline systems, and

(c) Projects which by contractual arrangements approved by the Commission are devoted exclusively to the service of specified customers, and no portion of the gas withdrawals from any such project becomes part of the common system gas supply by displacement or otherwise.

Where the utility establishes specified volumes of gas as "base stock," separate inventory cost records by projects shall be maintained therefor.

F. Amounts debited to this account for gas placed in storage shall be credited to account 809, Gas Delivered to Underground Storage—Credit. Amounts credited to this account for gas withdrawn from storage shall be debited to account 808, Gas Withdrawn from Underground Storage—Debit.

G. Adjustments for inventory losses due to cumulative inaccuracies of gas measurements, or from other causes, shall be charged to account 823, Gas Losses. (See, however, general instruction 7, Delayed Items, for any loss so large as to cause distortion of the accounts.) In the operation of storage projects the utility shall maintain such procedures of verification as will disclose and result in prompt accounting recognition of significant losses.

This account shall be credited with an amount equal to that debited to account 164, Gas Stored Underground—Current, to classify for balance sheet purposes such portion of the total inventory of gas stored underground as constitutes a current asset according to conventional rules for classification of current assets. (See account 164.)

NOTE: If with respect to any storage reservoir, the utility determines that a portion of the stored gas included in this account will not eventually be fully recovered, it may submit for consideration of the Commission, a plan to create a reserve to provide for such anticipated gas losses.

118 Other utility plant.

This account shall include the balance in accounts for utility plant, other than gas plant, such as electric, railway, etc.

119 Accumulated provision for depreciation and amortization of other utility plant.

This account shall include the accumulated provision for depreciation and amortization applicable to utility property other than gas plant.

2. OTHER PROPERTY AND INVESTMENTS

121 Nonutility property.

A. This account shall include the book cost of land, structures, equipment or other tangible or intangible property owned by the utility, but not used in utility service and not properly includible in account 105, Gas Plant Held for Future Use.

B. This account shall be subdivided so as to show the amount of property used in operations which are nonutility in character but nevertheless constitute a distinct operating activity of the company (such as operation of an ice department where such activity is not classed as a utility) and the amount of miscellaneous property not used in operations. The records in support of each subaccount shall be maintained so as to show an appropriate classification of the property.

122 Accumulated provision for depreciation and amortization of nonutility property.

This account shall include the accumulated provision for depreciation and amortization applicable to nonutility property.

123 Investment in associated companies.

A. This account shall include the book cost of investments in securities issued or assumed by associated companies and investment advances to such companies, including interest accrued thereon when such interest is not subject to current settlement. Include also the offsetting entry to the recording of amortization of discount or premium on interest bearing investments. (See account 419, Interest and Dividend Income.)

B. The account shall be maintained in such manner as to show the investment in securities of, and advances to, each associated company together with full particulars regarding any of such investments that are pledged.

NOTE A: Securities and advances of associated companies owned and pledged shall be included in this account, but such securities, if held in special deposits or in special funds, shall be included in the appropriate deposit or fund account. A complete record of securities pledged shall be maintained.

NOTE B: Securities of associated companies held as temporary cash investments are includible in account 136, Temporary Cash Investments.

NOTE C: Balances in open accounts with associated companies, which are subject to current settlement, are includible in account 146, Accounts Receivable from Associated Companies.

NOTE D: The utility may write down the cost of any security in recognition of a decline in the value thereof. Securities shall be written off or written down to a nominal value if there be no reasonable prospect of substantial value. Fluctuations in market value shall not be recorded but a permanent impairment in the value of securities shall be recognized in the accounts. When securities are written off or written down, the amount of the adjustment shall be charged to account 435, Miscellaneous Debits to Surplus, or to an appropriate account for accumulated provisions for loss in value established as a separate subdivision of this account.

124 Other investments.

A. This account shall include the book cost of investments in securities issued or assumed by nonassociated companies, investment advances to such companies, and any investments not accounted for elsewhere. Include also the offsetting entry to the recording of amortization of discount or premium on interest bearing investments. (See account 419, Interest and Dividend Income.)

B. The cost of capital stock of the utility reacquired by it under a definite plan for resale pursuant to authorization by the Board of Directors may, if permitted by statutes, be included in a separate subdivision of this account. (See also account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, and account 217, Reacquired Capital Stock.

C. The records shall be maintained in such manner as to show the amount of each investment and the investment advances to each person.

NOTE A: Securities owned and pledged shall be included in this account, but securities held in special deposits or in special funds shall be included in appropriate deposit or fund accounts. A complete record of securities pledged shall be maintained.

NOTE B: Securities held as temporary cash investments shall not be included in this account.

NOTE C: See Note D of account 123.

125 Sinking funds.

This account shall include the amount of cash and book cost of investments held in sinking funds. A separate account, with appropriate title, shall be kept for each sinking fund. Transfers from this account to special deposit accounts, may be made as necessary for the purpose of paying matured sinking-fund obligations, or obligations called for redemption but not presented, or the interest thereon.

126 Depreciation fund.

This account shall include the amount of cash and the book cost of investments which have been segregated in a special fund for the purpose of identifying such assets with the accumulated provisions for depreciation.

128 Other special funds.

This account shall include the amount of cash and book cost of investments which have been segregated in special funds for insurance, employee pensions, savings, relief, hospital, and other purposes not provided for elsewhere. A separate account, with appropriate title, shall be kept for each fund.

NOTE: Amounts deposited with a trustee under the terms of an irrevocable trust agreement for pensions or other employee benefits shall not be included in this account.

3. CURRENT AND ACCRUED ASSETS

Current and accrued assets are cash, those assets which are readily convertible into cash or are held for current use in operations or construction, current claims against others, payment of which is reasonably assured, and amounts accruing to the utility which are subject to current settlement, except such items for which accounts other than those designated as current and accrued assets are provided. There shall not be included in the group of accounts designated as current and accrued assets any item, the amount or collectibility of which is not reasonably assured, unless an adequate provision for possible loss has been made therefor. Items of current character but of doubtful value may be written down and for record purposes carried in these accounts at nominal value.

131 Cash.

This account shall include the amount of current cash funds except working funds.

132 Interest special deposits.

This account shall include special deposits with fiscal agents or others for the payment of interest.

133 Dividend special deposits.

This account shall include special deposits with fiscal agents or others for the payment of dividends.

134 Other special deposits.

This account shall include deposits with fiscal agents or others for special purposes other than the payment of interest and dividends. Such special deposits may include cash deposited with federal, state, or municipal authorities as a guaranty for the fulfillment of obligations; cash deposited with trustees to be held until mortgaged property sold, destroyed, or otherwise disposed of is replaced; cash realized from the sale of the accounting utility's securities and deposited with trustees to be held until invested in property of the utility, etc. Entries to this account shall specify the purpose for which the deposit is made.

NOTE: Assets available for general corporate purposes shall not be included in this account. Further, deposits for more than one year, which are not offset by current liabilities, shall not be charged to this account but to account 128, Other Special Funds.

135 Working funds.

This account shall include cash advanced to officers, agents, employees, and others as petty cash or working funds.

136 Temporary cash investments.

A. This account shall include the book cost of investments, such as demand and time loans, bankers' acceptances, United States Treasury certificates, marketable securities, and other similar investments, acquired for the purpose of temporarily investing cash.

B. This account shall be so maintained as to show separately temporary cash investments in securities of associated companies and of others. Records shall be kept of any pledged investments.

141 Notes receivable.

This account shall include the book cost, not includible elsewhere, of all collectible obligations in the form of notes receivable and similar evidences (except interest coupons) of money due on demand or within one year from the date of issue, except, however, notes receivable from associated companies. (See account 136, Temporary Cash Investments, and account 145, Notes Receivable from Associated Companies.)

NOTE: The face amount of notes receivable discounted, sold, or transferred without releasing the utility from liability as endorser thereon, shall be credited to a separate subdivision of this account and appropriate disclosure shall be made in financial statements of any contingent liability arising from such transactions.

142 Customer accounts receivable.

A. This account shall include amounts due from customers for utility service, and for merchandising, jobbing, and contract work. This account shall not include amounts due from associated companies.

B. This account shall be maintained so as to permit ready segregation of the amounts due for merchandising, jobbing, and contract work.

143 Other accounts receivable.

A. This account shall include amounts due the utility upon open accounts, other than amounts due from associated companies and from customers for utility services and merchandising, jobbing, and contract work.

B. This account shall be maintained so as to show separately amounts due on subscriptions to capital stock and from officers and employees, but the account shall not include amounts advanced to officers or others as working funds. (See account 135, Working Funds.)

144 Accumulated provision for uncollectible accounts—Cr.

A. This account shall be credited with amounts provided for losses on accounts receivable which may become uncollectible, and also with collections on accounts previously charged hereto. Concurrent charges shall be made to account 904, Uncollectible Accounts, for amounts applicable to utility operations, and to corresponding accounts for other operations. Records shall be maintained so as to show the write-offs of accounts receivable for each utility department.

B. This account shall be subdivided to show the provision applicable to the following classes of accounts receivable:

Utility Customers.
Merchandising, Jobbing and Contract Work.
Officers and Employees.
Others.

NOTE A: Accretions to this account shall not be made in excess of a reasonable provision against losses of the character provided for.

NOTE B: If provisions for uncollectible notes receivable or for uncollectible receivables from associated companies are necessary, separate subaccounts therefor shall be established under the account in which the receivable is carried.

145 Notes receivable from associated companies.

146 Accounts receivable from associated companies.

These accounts shall include notes and drafts upon which associated companies are liable, and which mature and are expected to be paid in full not later than one year from date of issue, together with any interest thereon, and debit balances subject to current settlement in open accounts with associated companies. Items which do not bear a specified due date but which have been carried for more than twelve months and items which are not paid within twelve months from due date shall be transferred to account 123, Investment in Associated Companies.

NOTE A: On the balance sheet, accounts receivable from an associated company may be set off against accounts payable to the same company.

NOTE B: The face amount of notes receivable discounted, sold or transferred without releasing the utility from liability as endorser thereon, shall be credited to a separate subdivision of this account and appropriate disclosure shall be made in financial statements of any contingent liability arising from such transactions.

151 Fuel stock.

This account shall include the book cost of fuel on hand.

ITEMS

1. Invoice price of fuel less any cash or other discounts.
2. Freight, switching, demurrage and other transportation charges, not including, however, any charges for unloading from the shipping medium.
3. Excise taxes, purchasing agents' commissions, insurance and other expenses directly assignable to cost of fuel.

152 Fuel stock expenses undistributed.

A. This account may include the cost of labor and of supplies used and expenses incurred in unloading fuel from the shipping medium and in the handling thereof prior to its use, if such expenses are sufficiently significant in amount to warrant being treated as a part of the cost of fuel inventory rather than being charged direct to expense as incurred.

B. Amounts included herein shall be charged to expense as the fuel is used to the end that the balance herein shall not exceed the expenses attributable to the inventory of fuel on hand.

ITEMS

Labor:
1. Procuring and handling of fuel.
2. All routine fuel analyses.
3. Unloading from shipping facility and putting in storage.
4. Moving of fuel in storage and transferring from one station to another.
5. Handling from storage or shipping facility to first bunker, hopper, bucket, tank or holder of boiler house structure.
6. Operation of mechanical equipment, such as locomotives, trucks, cars, boats, barges, cranes, etc.

Supplies and Expenses:
7. Tools, lubricants and other supplies.
8. Operating supplies for mechanical equipment.
9. Transportation and other expenses in moving fuel.
10. Stores expenses applicable to fuel.

153 Residuals and extracted products.

This account shall include the book cost of residuals or extracted products produced in the manufacture of gas or in natural gas products extraction operations including like products purchased for resale.

154 Plant materials and operating supplies.

A. This account shall include the cost of materials purchased primarily for use in the utility business for construction, operation and maintenance purposes. It shall include also the book cost of materials recovered in connection with construction, maintenance or the retirement of property, such materials being credited to construction, maintenance or accumulated depreciation provision, respectively, and included herein as follows:

(1) Reusable materials consisting of large individual items shall be included in this account at original cost, estimated if not known. The cost of repairing such items shall be charged to the maintenance account appropriate for the previous use.

(2) Reusable materials consisting of relatively small items, the identity of which (from the date of original installation to the final abandonment or sale thereof) cannot be ascertained without undue refinement in accounting, shall be included in this account at current prices new for such items. The cost of repairing such items shall be charged to the

appropriate expense account as indicated by previous use.

(3) Scrap and nonusable materials included in this account shall be carried at the estimated net amount realizable therefrom. The difference between the amounts realized for scrap and nonusable materials sold and the net amount at which the materials were carried in this account, as far as practicable, shall be adjusted to the accounts credited when the materials were charged to this account.

B. Materials and supplies issued shall be credited hereto and charged to the appropriate construction, operating expense, or other account on the basis of a unit price determined by the use of cumulative average, first-in-first out, or such other method of inventory accounting as conforms with accepted accounting standards consistently applied.

ITEMS

1. Invoice price of materials less cash or other discounts.
2. Freight, switching or other transportation charges when practicable to include as part of the cost of particular materials to which they relate.
3. Customs duties and excise taxes.
4. Costs of inspection and special tests prior to acceptance.
5. Insurance and other directly assignable charges.

NOTE: Where expenses applicable to materials purchased cannot be directly assigned to particular purchases, they shall be charged to account 163, Stores Expenses Undistributed.

155 Merchandise.

This account shall include the book cost of materials and supplies, and appliances and equipment held primarily for merchandising, jobbing, and contract work. The principles prescribed in accounting for utility materials and supplies shall be observed in respect to items carried in this account.

156 Other materials and supplies.

This account shall include the book cost of materials and supplies held primarily for nonutility purposes. The principles prescribed in accounting for utility materials and supplies shall be observed in respect to items carried in this account.

163 Stores expense undistributed.

A. This account shall include the cost of supervision, labor and expenses incurred in the operation of general storerooms, including purchasing, storage, handling and distribution of materials and supplies.

B. This account shall be cleared by adding to the cost of materials and supplies issued a suitable loading charge which will distribute the expense equitably over stores issues. The balance in the account at the close of the year shall not exceed the amount of stores expenses reasonably attributable to the inventory of materials and supplies exclusive of fuel, as any amount applicable to fuel cost should be included in account 152, Fuel Stock Expenses Undistributed.

ITEMS

Labor:
1. Inspecting and testing materials and supplies when not assignable to specific items.
2. Unloading from shipping facility and putting in storage.
3. Supervision of purchasing and stores department to extent assignable to materials handled through stores.
4. Getting materials from stock and in readiness to go out.
5. Inventorying stock received or stock on hand by stores employees but not including inventories by general department employees as part of internal or general audits.
6. Purchasing department activities in checking material needs, investigating sources of supply, analyzing prices, preparing and placing orders, and related activities to extent applicable to materials handled through stores. (Optional. Purchasing department expenses may be included in administrative and general expenses.)
7. Maintaining stores equipment.
8. Cleaning and tidying storerooms and stores offices.
9. Keeping stock records, including recording and posting of material receipts and issues and maintaining inventory record of stock.
10. Collecting and handling scrap materials in stores.

Supplies and Expenses:
11. Adjustments of inventories of materials and supplies but not including large differences which can readily be assigned to important classes of materials and equitably distributed among the accounts to which such classes of materials have been charged since the previous inventory.
12. Cash and other discounts not practically assignable to specific materials.
13. Freight, express, etc., when not assignable to specific items.
14. Heat, light and power for storerooms and store offices.
15. Brooms, brushes, sweeping compounds and other supplies used in cleaning and tidying storerooms and stores offices.
16. Injuries and damages.
17. Insurance on materials and supplies and on stores equipment.
18. Losses due to breakage, leakage, evaporation, fire or other causes, less credits for amounts received from insurance, transportation companies or others in compensation of such losses.
19. Postage, printing, stationery and office supplies.
20. Rent of storage space and facilities.
21. Communication service.
22. Excise and other similar taxes not assignable to specific materials.
23. Transportation expense on inward movement of stores and on transfer between storerooms but not including charges on materials recovered from retirements which shall be accounted for as part of cost of removal.

NOTE: A physical inventory of each class of materials and supplies shall be made at least every two years.

164 Gas stored underground—Current.

This account shall be debited with such amounts as are credited to account 117, Gas Stored Underground—Noncurrent, to reflect classification for balance sheet purposes of such portion of the inventory of gas stored underground as represents a current asset according to conventional rules for classification of current assets.

NOTE: It shall not be considered conformity to conventional rules of current asset classification if the amount included in this account exceeds an amount equal to the cost of estimated withdrawals of gas from storage for purposes of sale within the 24-month period from date of the balance sheet, or if the amount represents a volume of gas which, in fact, could not be withdrawn from storage without impairing the pressure level of any project for normal operating purposes.

165 Prepayments.

This account shall include amounts representing prepayments of insurance, rents, taxes, interest and miscellaneous items, and shall be kept or supported in such manner as to disclose the amount of each class of prepayment.

171 Interest and dividends receivable.

This account shall include the amount of interest on bonds, mortgages, notes, commercial paper, loans, open accounts, deposits, etc., the payment of which is reasonably assured, and the amount of dividends declared or guaranteed on stocks owned.

NOTE A: Interest which is not subject to current settlement shall not be included herein but in the account in which is carried the principal on which the interest is accrued.

NOTE B: Interest and dividends receivable from associated companies shall be included in account 146, Accounts Receivable from Associated Companies.

172 Rents receivable.

This account shall include rents receivable or accrued on property rented or leased by the utility to others.

NOTE: Rents receivable from associated companies shall be included in account 146, Accounts Receivable From Associated Companies.

173 Accrued utility revenues.

At the option of the utility, the estimated amount accrued for service rendered, but not billed at the end of any accounting period, may be included herein. In case accruals are made for unbilled revenues, they shall be made likewise for unbilled expenses, such as for the purchase of gas.

174 Miscellaneous current and accrued assets.

This account shall include the book cost of all other current and accrued assets, appropriately designated and supported so as to show the nature of each asset included herein.

4. DEFERRED DEBITS

181 Unamortized debt discount and expense.

A. This account shall include the total of the debit balances in the discount, expense, and premium accounts for all classes of long-term debt, determined as provided in the following paragraphs of this account.

B. A discount, expense, and premium account shall be maintained for each class and series of long-term debt (including receivers' certificates) issued or assumed by the utility, in which shall be recorded the discount, expense, and premium associated with the issuance and sale of each such class and series of debt. In stating the balance sheet, the total of the debit balances remaining in those accounts having debit balances shall be reported under this account and the total of credit balances remaining in those accounts having credit balances shall be reported under account 251, Unamortized Premium on Debt. Accounts

with debit balances shall not be set off against accounts with credit balances.

C. The discount, expense, and premium shall be amortized over the life of the respective issues under a plan which will distribute the amounts equitably over the life of the securities. The amortization shall be on a monthly basis, and the amounts thereof shall be charged to account 428, Amortization of Debt Discount and Expense, or credited to account 429, Amortization of Premium on Debt.—Cr., as may be appropriate. The utility may, however, accelerate the writing off of discount and expense where the amounts are insignificant.

D. When any long-term debt is reacquired or redeemed without being converted into another form of long-term debt and when the transaction is not in connection with a refunding operation, the difference between the amount paid upon reacquirement and the face value plus the unamortized premium or less the unamortized discount and expense, as the case may be, applicable to the debt redeemed, retired and canceled, shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus, as appropriate.

E. When the redemption of one issue or series of bonds or other long-term obligations is financed by another issue or series before the maturity date of the first issue, account 434, Miscellaneous Credits to Surplus or account 435, Miscellaneous Debits to Surplus, shall be credited or debited, as appropriate, with any unamortized discount, expense, or premium on the first issue and any premium paid or discount earned on the redemption. If the utility desires to amortize any of the discount, expense, or premium associated with the issuance or redemption of the first issue over a period subsequent to the date of redemption, the permission of the Commission must be obtained; provided, however, that special permission of the Commission shall not be necessary, if the utility proceeds with a plan of disposition of the discount, expense, and redemeption premiums associated with the refunded bonds, as follows:

(1) A special charge is recorded in the year of refunding in account 428, Amortization of Debt Discount and Expense, equal to the saving in income taxes arising from the refunding transactions;

(2) There is charged to account 435, Miscellaneous Debits to Surplus, in the year of refunding, any amounts of unamortized discount and expenses or redemption premiums relating to bonds or other long-term obligations previously refunded by the refunded bonds under immediate consideration, such amounts sometimes being referred to as "grandfather items"; and,

(3) The utility proceeds to amortize by equal monthly charges, from the date of refunding, the remainder of the charges associated with the refunded bonds, over a period not longer than that in which the saving in net annual interest and amortization charges equals the remainder of charges to be amortized, after taking into consideration the estimated additional taxes on income attributable to the saving in net annual interest and amortization charges.

F. Discount, expense, or premium on debt shall not be included as part of the cost of constructing or acquiring any property, tangible or intangible, except under the provisions of account 432, Interest Charged to Construction—Cr.

182 Extraordinary property losses.

A. When authorized or directed by the Commission, this account shall include extraordinary losses on property abandoned or otherwise retired from service which are not provided for by the accumulated provisions for depreciation or amortization and which could not reasonably have been foreseen and provided for, and extraordinary losses, such as unforeseen damages to property, which could not reasonably have been anticipated and which are not covered by insurance or other provisions.

B. The entire cost, less net salvage, of depreciable property retired shall be charged to accumulated provision for depreciation. If all, or a portion, of the loss is to be included in this account, the accumulated provision for depreciation shall then be credited and this account charged with the amount properly chargeable hereto.

C. Application to the Commission for permission to use this account shall be accompanied by a statement giving a complete explanation with respect to the items which it is proposed to include herein, the period over which, and the accounts to which it is proposed to write off the charges, and other pertinent information.

183.1 Preliminary natural gas survey and investigation charges.

A. This account shall be charged with all expenditures for preliminary surveys, plans, investigations, etc., made for the purpose of determining the feasibility of acquiring land and land rights to provide a future supply of natural gas. If such land or land rights are acquired, this account shall be credited and the appropriate gas plant account (see gas plant instruction 7–G) charged with the amount of the expenditures related to such acquisition. If the project is abandoned, the expenditures related thereto shall be charged to account 798, Other Exploration.

B. The records supporting the entries to this account shall be so kept that the utility can furnish, for each investigation, complete information as to the identification and location of territory investigated, the number or other identification assigned to the land tract or leasehold acquired, and the nature and respective amounts of the charges.

NOTE: The amount of preliminary survey and investigation charges transferred to gas plant shall not exceed the expenditures which may reasonably be determined to contribute directly and immediately and without duplication to gas plant.

183.2 Other preliminary survey and investigation charges.

A. This account shall be charged with all expenditures for preliminary surveys, plans, investigations, etc., made for the purpose of determining the feasibility of utility projects under contemplation, other than the acquisition of land and land rights to provide a future supply of natural gas. If construction results, this account shall be credited and the appropriate utility plant account charged. If the work is abandoned, the charge shall be made to account 435, Miscellaneous Debits to Surplus, or the appropriate operating expense account.

B. The records supporting the entries to this account shall be so kept that the utility can furnish complete information as to the nature and the purpose of the survey, plans, or investigations and the nature and amounts of the several charges.

NOTE: The amount of preliminary survey and investigation charges transferred to utility plant shall not exceed the expenditures which may reasonably be determined to contribute directly and immediately and without duplication to utility plant.

184 Clearing accounts.

This caption shall include undistributed balances in clearing accounts at the date of the balance sheet. Balances in clearing accounts shall be substantially cleared not later than the end of the calendar year unless items held therein relate to a future period.

185 Temporary facilities.

This account shall include amounts shown by work orders for plant installed for temporary use in utility service for periods of less than one year. Such work orders shall be charged with the cost of temporary facilities and credited with payments received from customers and net salvage realized on removal of the temporary facilities. Any net credit or debit resulting shall be cleared to account 488, Miscellaneous Service Revenues.

186 Miscellaneous deferred debits.

A. This account shall include all debits not elsewhere provided for, such as miscellaneous work in progress, and unusual or extraordinary expenses, not included in other accounts, which are in process of amortization and items the proper final disposition of which is uncertain.

B. The records supporting the entries to this account shall be so kept that the utility can furnish full information as to each deferred debit.

5. PROPRIETARY CAPITAL

201 Common stock issued.

204 Preferred stock issued.

A. These accounts shall include the par value or the stated value of stock without par value if such stock has a stated value, and, if not, the cash value of the consideration received for such nonpar stock, of each class of capital stock actually issued, including the par or stated value of such capital stock in account 124, Other Investments and account 217, Reacquired Capital Stock.

B. When the actual cash value of the consideration received is more or less than the par or stated value of any stock having a par or stated value, the difference shall be credited or debited, as the case may be, to the premium or discount account for the particular class and series.

C. When capital stock is retired, these accounts shall be charged with the amount at which such stock is carried herein.

D. A separate ledger account, with a descriptive title, shall be maintained for each class and series of stock. The supporting records shall show the shares nominally issued, actually issued, and nominally outstanding.

NOTE: When a levy or assessment, except a call for payment on subscriptions, is made against holders of capital stock, the amount collected upon such levy or assessment shall be credited to account 207, Premium on Capital Stock; provided, however, that the credit shall be made to account 213, Discount on Capital Stock, to the extent of any remaining balance of discount on the issue of stock.

202 Common stock subscribed.

205 Preferred stock subscribed.

A. These accounts shall include the amount of legally enforceable subscriptions to capital stock of the utility. They shall be credited with the par or stated value of the stock subscribed, exclusive of accrued dividends, if any. Concurrently, a debit shall be made to subscriptions to capital stock, included as a separate subdivision of account 143, Other Accounts Receivable, for the agreed price and any discount or premium shall be debited or credited to the appropriate discount or premium account. When properly executed stock certificates have been issued representing the shares subscribed, this account shall be debited, and the appropriate capital stock account credited, with the par or stated value of such stock.

B. The records shall be kept in such manner as to show the amount of subscriptions to each class and series of stock.

203 Common stock liability for conversion.

206 Preferred stock liability for conversion.

A. These accounts shall include the par value or stated value, as appropriate, of capital stock which the utility has agreed to exchange for outstanding securities of other companies in connection with the acquisition of properties of such companies under terms which allow the holders of the securities of the other companies to surrender such securities and receive in return therefor capital stock of the accounting utility.

B. When the securities of the other companies have been surrendered and capital stock issued in accordance with the terms of the exchange, these accounts shall be charged and accounts 201, Common Stock Issued, or 204, Preferred Stock Issued, as the case may be, shall be credited.

C. The records shall be kept so as to show separately the stocks of each class and series for which a conversion liability exists.

207 Premium on Capital Stock.

A. This account shall include, in a separate subdivision for each class and series of stock, the excess of the actual cash value of the consideration received on original issues of capital stock over the par or stated value and accrued dividends of such stock, together with assessments against stockholders representing payments required in excess of par or stated values.

B. Premium on capital stock shall not be set off against expenses. Further, a premium received on an issue of a certain class or series of stock shall not be set off against expenses of another issue of the same class or series.

C. When capital stock which has been actually issued is retired, the amount in this account applicable to the shares retired shall be transferred to account 210, Gain on Resale or Cancellation of Reacquired Capital Stock.

208 Donations received from stockholders.

This account shall include the balance of credits for donations received from stockholders consisting of capital stock of the utility, cancellation or reduction of debt of the utility, and the cash value of other assets received as a donation.

209 Reduction in par or stated value of capital stock.

This account shall include the balance of credits arising from a reduction in the par or stated value of capital stock.

210 Gain on resale or cancellation of reacquired capital stock.

This account shall include the balance of credits arising from the resale or cancellation of reacquired capital stock. (See account 217, Reacquired Capital Stock.)

211 Miscellaneous paid-in capital.

This account shall include the balance of all other credits for paid-in capital which are not properly includible in the foregoing accounts.

NOTE: Amounts included in capital surplus at the effective date of this system of accounts which cannot be classified as to the source thereof shall be included in this account.

212 Installments received on capital stock.

A. This account shall include in a separate subdivision for each class and series of capital stock the amount of installments received on capital stock on a partial or installment payment plan from subscribers who are not bound by legally enforceable subscription contracts.

B. As subscriptions are paid in full and certificates issued, this account shall be charged and the appropriate capital stock account credited with the par or stated value of such stock. Any discount or premium on an original issue shall be included in the appropriate discount or premium account.

213 Discount on capital stock.

A. This account shall include in a separate subdivision for each class and series of capital stock all discount on the original issuance and sale of capital stock, including additional capital stock of a particular class or series as well as first issues.

B. When capital stock which has been actually issued is retired, the amount in this account applicable to the shares retired shall be written off to account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, provided, however, that the amount shall be charged to account 435, Miscellaneous Debits to Surplus, to the extent that it exceeds the balance in account 210.

C. The utility may amortize the balance in this account by systematic charges to account 425, Miscellaneous Amortization, or it may write off capital stock discount in whole or in part by charges to account 435, Miscellaneous Debits to Surplus.

214 Capital stock expense.

A. This account shall include in a separate subdivision for each class and series of stock all commissions and expenses incurred in connection with the original issuance and sale of capital stock, including additional capital stock of a particular class or series as well as first issues. Expenses applicable to capital stock shall not be deducted from premium on capital stock.

B. When capital stock which has been actually issued by the utility is retired, the amount in this account applicable to the shares retired shall be written off to account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, provided, however, that the amount shall be charged to account 435, Miscellaneous Debits to Surplus, to the extent that it exceeds the balance in account 210.

C. The utility may amortize the balance in this account by systematic charges to account 425, Miscellaneous Amortization, or it may write off capital stock expense in whole or in part by charges to account 435, Miscellaneous Debits to Surplus.

NOTE: Expenses in connection with the reacquisition or resale of the utility's capital stock shall not be included herein.

215 Appropriated earned surplus.

This account shall include the amount of earned surplus which has been appropriated or set aside for specific purposes. Separate subaccounts shall be maintained under such titles as will designate the purpose for which each appropriation was made.

216 Unappropriated earned surplus.

This account shall include the balance, either debit or credit, of unappropriated surplus arising from earnings. It shall not include items includible in any of the accounts for paid-in capital.

217 Reacquired capital stock.

A. This account shall include in a separate subdivision for each class and series of capital stock, the cost of capital stock actually issued by the utility and reacquired by it and not retired or canceled, except, however, stock which is held by trustees in sinking or other funds.

B. When reacquired capital stock is retired or canceled, the difference between its cost, including commissions and expenses paid in connection with the reacquisition, and its par or stated value plus any premium and less any discount and expenses applicable to the shares

retired, shall be debited or credited, as appropriate, to account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, provided, however, that debits shall be charged to account 435, Miscellaneous Debits to Surplus, to the extent that they exceed the balance in account 210.

C. When reacquired capital stock is resold by the utility, the difference between the amount received on the resale of the stock, less expenses incurred in the resale, and the cost of the stock included in this account shall be accounted for as outlined in paragraph B.

NOTE A: See account 124, Other Investments, for permissive accounting treatment of stock reacquired under a definite plan for resale.

NOTE B: The accounting for reacquired stock shall be as prescribed herein unless otherwise specifically required by statute.

6. LONG-TERM DEBT

221 Bonds.

This account shall include in a separate subdivision for each class and series of bonds the face value of the actually issued and unmatured bonds which have not been retired or canceled; also the face value of such bonds issued by others the payment of which has been assumed by the utility.

222 Reacquired bonds.

A. This account shall include the face value of bonds actually issued or assumed by the utility and reacquired by it and not retired, or canceled. The account for reacquired debt shall not include securities which are held by trustee in sinking or other funds.

B. When bonds are reacquired, the difference between face value, adjusted for unamortized discount, expense or premium and the amount paid upon reacquisition, shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus, as appropriate. (See, however, account 181, paragraph E, as to refunding operations.)

223 Advances from associated companies.

A. This account shall include the face value of notes payable to associated companies and the amount of open book accounts representing advances from associated companies. It does not include notes and open accounts representing indebtedness subject to current settlement which are includible in account 233, Notes Payable to Associated Companies, or account 234, Accounts Payable to Associated Companies.

B. The records supporting the entries to this account shall be so kept that the utility can furnish complete information concerning each note and open account.

224 Other long-term debt.

A. This account shall include, until maturity, all long-term debt not otherwise provided for. This covers such items as receivers' certificates, real estate mortgages executed or assumed, assessments for public improvements, notes and unsecured certificates of indebtedness not owned by associated companies, receipts outstanding for long-term debt, and other obligations maturing more than one year from date of issue or assumption.

B. Separate accounts shall be maintained for each class of obligation, and records shall be maintained to show for each class all details as to date of obligation, date of maturity, interest dates and rates, security for the obligation, etc.

NOTE: Miscellaneous long-term debt reacquired shall be accounted for in accordance with the procedure set forth in account 222, Reacquired Bonds.

7. CURRENT AND ACCRUED LIABILITIES

Current and accrued liabilities are those obligations which have either matured or which become due within one year from the date thereof; except, however, bonds, receivers' certificates and similar obligations which shall be classified as long-term debt until date of maturity; accrued taxes, such as income taxes, which shall be classified as accrued liabilities even though payable more than one year from date; compensation awards, which shall be classified as current liabilities regardless of date due; and minor amounts payable in installments which may be classified as current liabilities. If a liability is due more than one year from date of issuance or assumption by the utility, it shall be credited to a long-term debt account appropriate for the transaction, except, however, the current liabilities previously mentioned.

231 Notes payable.

This account shall include the face value of all notes, drafts, acceptances, or other similar evidences of indebtedness, payable on demand or within a time not exceeding one year from date of issue, to other than associated companies.

232 Accounts payable.

This account shall include all amounts payable by the utility within one year, which are not provided for in other accounts.

233 Notes payable to associated companies.

234 Accounts payable to associated companies.

These accounts shall include amounts owing to associated companies on notes, drafts, acceptances, or other similar evidences of indebtedness, and open accounts payable on demand or not more than one year from date of issue or creation.

NOTE: Exclude from these accounts notes and accounts which are includible in account 223, Advances from Associated Companies.

235 Customer deposits.

This account shall include all amounts deposited with the utility by customers as security for the payment of bills.

236 Taxes accrued.

A. This account shall be credited with the amount of taxes accrued during the accounting period, corresponding debits being made to the appropriate accounts for tax charges. Such credits may be based upon estimates, but from time to time during the year as the facts become known, the amount of the periodic credits shall be adjusted so as to include as nearly as can be determined in each year the taxes applicable thereto. Any amount representing a prepayment of taxes applicable to the period subsequent to the date of the balance sheet, shall be shown under account 165, Prepayments.

B. If accruals for taxes are found to be insufficient or excessive, correction therefor shall be made through current tax accruals. However, if such corrections are so large as to seriously distort current expenses, they shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus, as appropriate.

C. Accruals for taxes shall be based upon the net amounts payable after credit for any discounts, and shall not include any amounts for interest on tax deficiencies or refunds. Interest received on refunds shall be credited to account 419, Interest and Dividend Income, and interest paid on deficiencies shall be charged to account 431, Other Interest Expense.

D. The records supporting the entries to this account shall be kept so as to show for each class of taxes, the amount accrued, the basis for the accrual, the accounts to which charged, and the amount of tax paid.

237 Interest accrued.

This account shall include the amount of interest accrued but not matured on all liabilities of the utility not including, however, interest which is added to the principal of the debt on which incurred. Supporting records shall be maintained so as to show the amount of interest accrued on each obligation.

238 Dividends declared.

This account shall include the amount of dividends which have been declared but not paid. Dividends shall be credited to this account when they become a liability.

239 Matured long-term debt.

This account shall include the amount of long-term debt (including any obligation for premiums) matured and unpaid, without specific agreement for extension of the time of payment and bonds called for redemption but not presented.

240 Matured interest.

This account shall include the amount of matured interest on long-term debt or other obligations of the utility at the date of the balance sheet unless such interest is added to the principal of the debt on which incurred.

241 Tax collections payable.

This account shall include the amount of taxes collected by the utility through payroll deductions or otherwise pending transmittal of such taxes to the proper taxing authority.

NOTE: Do not include liability for taxes assessed directly against the utility which are accounted for as part of the utility's own tax expense.

242 Miscellaneous current and accrued liabilities.

This account shall include the amount of all other current and accrued liabil-

ities not provided for elsewhere appropriately designated and supported so as to show the nature of each liability.

8. DEFERRED CREDITS

251 Unamortized premium on debt.

This account shall include the total of the credit balances in the discount, expense and premium accounts, for all classes of long-term debt, including receivers' certificates. (See account 181, Unamortized Debt Discount and Expense.)

252 Customer advances for construction.

This account shall include advances by customers for construction which are to be refunded either wholly or in part. When a customer is refunded the entire amount to which he is entitled according to the agreement or rule under which the advance was made, the balance, if any, remaining in this account shall be credited to account 271, Contributions in Aid of Construction.

253 Other deferred credits.

This account shall include advance billings and receipts and other deferred credit items, not provided for elsewhere, including amounts which cannot be entirely cleared or disposed of until additional information has been received.

9. OPERATING RESERVES

261 Property insurance reserve.

A. This account shall include amounts reserved by the utility for self-insurance against losses through accident, fire, flood, or other hazards to its own property or property leased from others. The amounts charged to account 924, Property Insurance, or other appropriate accounts to cover such risks shall be credited to this account. A schedule of risks covered by this reserve shall be maintained, giving a description of the property involved, the character of the risks covered and the rates used.

B. Charges shall be made to this account for losses covered by self-insurance. Details of these charges shall be maintained according to the year the casualty occurred which gave rise to the loss.

262 Injuries and damages reserve.

A. This account shall be credited with amounts charged to account 925, Injuries and Damages, or other appropriate accounts, to meet the probable liability, not covered by insurance, for deaths or injuries to employees and others, and for damages to property neither owned nor held under lease by the utility.

B. When liability for any injury or damage is admitted by the utility either voluntarily or because of the decision of a court or other lawful authority, such as a workmen's compensation board, the admitted liability shall be charged to this account and credited to the appropriate liability account. Details of these charges shall be maintained according to the year the casualty occurred which gave rise to the loss.

NOTE: Recoveries or reimbursements for losses charged to this account shall be credited hereto; the cost of repairs to property of others if provided for herein, shall be charged to this account.

263 Pensions and benefits reserve.

A. This account shall include provisions made by the utility and amounts contributed by employees for pensions, accident and death benefits, savings, relief, hospital and other provident purposes, where the funds represented by the reserve are included in the assets of the utility either in general or in segregated fund accounts.

B. Amounts paid by the utility for the purposes for which this reserve is established shall be charged hereto.

C. A separate account shall be kept for each kind of reserve included herein.

NOTE: If employee pension or benefit plan funds are not included among the assets of the utility but are held by outside trustees, payments into such funds, or accruals therefor, shall not be included in this account.

265 Miscellaneous operating reserves.

A. This account shall include all operating reserves maintained by the utility which are not provided for elsewhere.

B. This account shall be maintained in such manner as to show the amount of each separate reserve and the nature and amounts of the debits and credits thereto.

NOTE: This account includes only such reserves as may be created for operating purposes and does not include any reservations of income the credits of which should be carried in account 215, Appropriated Earned Surplus.

10. CONTRIBUTIONS IN AID OF CONSTRUCTION

271 Contributions in aid of construction.

A. This account shall include donations or contributions in cash, services, or property from States, municipalities or other governmental agencies, individuals, and others for construction purposes.

B. The credits to this account shall not be transferred to earned surplus or to any other account without approval of the Commission.

C. The records supporting the entries to this account shall be so kept that the utility can furnish information as to the purpose of each donation, the conditions, if any, upon which it was made, the amount of donations from (a) States, (b) municipalities, (c) customers, and (d) others, and the amount applicable to each utility department.

NOTE. There shall not be included in this account advances for construction which are ultimately to be repaid wholly or in part. (See account 252, Customer Advances for Construction.)

11. ACCUMULATED DEFERRED INCOME TAXES

NOTE A: The text of accounts below are designed primarily to cover deferrals of Federal income taxes arising under provisions of the Internal Revenue Code of 1954 but the accounts are also applicable to deferrals of State taxes on income.

NOTE B: Natural Gas Companies which, in addition to a gas utility department, have another utility department, electric, water, etc., and which have deferred taxes on income with respect thereto shall classify such deferrals in the accounts provided below under subdivisions for each utility department.

281 Accumulated deferred income taxes—Accelerated amortization.

A. This account shall be credited and account 410, Provision for Deferred Income Taxes, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of accelerated (5-year) amortization of certified defense facilities in computing such taxes, as permitted by Section 168 of the Internal Revenue Code of 1954 (Section 124A of previous Internal Revenue Code), as compared to the depreciation (deduction) otherwise appropriate and allowable for tax purposes according to the straight line or other nonaccelerated depreciation method and appropriate estimated useful life for such property.

B. This account shall be debited and account 411, Income Taxes Deferred in Prior Years—Credit, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior year of accelerated (5-year) amortization of certified defense facilities instead of nonaccelerated depreciation otherwise appropriate for income tax purposes, and deferral of taxes in such prior years as described in paragraph A, above. Such debit to this account and credit to account 411 shall, in general, represent the effect on taxes payable for the current year of the unavailability of a depreciation deduction for tax purposes, or a reduced amount, with respect to any depreciable property for which accelerated amortization was used in prior years, as compared to the depreciation deduction otherwise available and appropriate for such property, considering its estimated useful life, according to the depreciation method ordinarily used by the utility for similar property in computing depreciation for tax purposes by a nonaccelerated or nonliberalized depreciation method.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the facilities of each certification or authorization of accelerated amortization for tax purposes.

D. The use of this account and the accounting described above are not mandatory for any utility which, in accordance with a consistent policy, elects not to follow deferred tax accounting even though accelerated amortization is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any certified defense facility, the accounting shall not be suspended or discontinued on the property covered by that certificate, without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to surplus or make any use thereof except as provided in the text of this account without prior approval of the Commission. Any remaining balance of

accumulated deferred taxes with respect to any certified defense facility for which deferred tax accounting has been followed shall, upon expiration of the estimated useful life of the facility on which deferred tax calculations were based, or upon retirement from service of such facility or predominant part thereof, be credited to account 411, Income Taxes Deferred in Prior Years—Credit, or otherwise be applied as the Commission may authorize or direct.

282 Accumulated deferred income taxes—Liberalized depreciation.

A. This account shall be credited and account 410, Provision for Deferred Income Taxes, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of liberalized depreciation in computing such taxes, as permitted by Section 167 of the Internal Revenue Code of 1954, as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes for similar property of the same estimated useful life according to the straight line or other nonliberalized method of depreciation.

B. This account shall be debited and account 411, Income Taxes Deferred in Prior Years—Credit, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of liberalized depreciation for income tax purposes, and deferral of taxes in such prior years as described in paragraph A above. Such debit to this account and credit to account 411, shall, in general, represent the effect on taxes payable for the current year of the smaller amount of depreciation permitted for tax purposes for the current year with respect to any depreciable property for which liberalized depreciation was used in prior years, as compared to the depreciation deduction otherwise appropriate and available for similar property of the same estimated useful life according to the straight line or other nonliberalized depreciation method ordinarily used by the utility in computing depreciation for tax purposes.

C. Records with respect to entries to this account, as described above, and account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the plant additions of each vintage year for each class, group, or unit as to which different liberalized depreciation methods and estimated useful lives have been used. The underlying calculations to segregate and associate deferred tax amounts with the respective vintage years may be based on reasonable methods of approximation, if necessary, consistently applied.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy, elects not to follow deferred tax accounting even though liberalized depreciation is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any property, such accounting shall not be discontinued on that property without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in the account or any portion thereof to surplus or make any use thereof except as provided in the text of this account without prior approval of the Commission. Any remaining deferred tax reserve balance with respect to any year's plant additions or subdivisions thereof for which liberalized depreciation accounting has been followed or, upon retirement from service of such property or predominant portion thereof, or upon expiration of the estimated useful life on which the depreciation calculations for tax purposes are based, shall be credited to account 411, Income Taxes Deferred in Prior Years—Credit, or otherwise applied as the Commission may authorize or direct.

283 Accumulated deferred income taxes—Other.

A. This account, when its use has been authorized by the Commission for specific types of tax deferrals, shall be credited and account 410, Provision for Deferred Income Taxes, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the current use of deductions other than accelerated amortization or liberalized depreciation in the computation of income taxes, which deductions for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years.

B. This account when its use has been authorized by the Commission, shall be debited and account 411, Income Taxes Deferred in Prior Years—Credit, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of deferral of taxes on income in previous years, as provided by paragraph A, above, because of difference in timing for tax purposes of particular income deductions from that recognized by the utility for general accounting purposes, other than with respect to accelerated amortization or liberalized depreciation. Such debit to this account and credit to account 411 shall, in general, represent the effect on taxes payable in the current year of the smaller deduction permitted for tax purposes as compared to the amount recognized in the utility's general accounts with respect to the item or class of items for which deferred tax accounting by the utility was authorized by the Commission.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation with respect to each annual amount of the item or class of items, other than accelerated amortization or liberalized depreciation, for which tax deferral accounting by the utility is authorized by the Commission.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in the accounts or any portion thereof to surplus or make any use thereof except as provided in the text of this account, without prior approval of the Commission. Any remaining deferred tax account balance with respect to an amount for any prior year's tax deferral, the amortization of which or other recognition in the utility's income accounts has been completed, or other disposition made, shall be credited to account 411, Income Taxes Deferred in Prior Years—Credit, or otherwise disposed of as the Commission may authorize or direct.

NOTE: In determining appropriate use of this account as a basis of request to the Commission for authorization of its use, consideration shall be given to the relative importance of the amount involved, and to other items in the utility's accounts where "prepaid tax accounting" may be appropriate, such as situations (a) where the time of taking a deduction in computing taxes on income is such that the tax deduction must be delayed or applied to a series of future years as opposed to earlier recognition of such item in determination of income in the general accounts of the utility, or (b) where inclusion of an income item is required for tax purposes but is to be recognized in whole or in part in the utility's income accounts of a subsequent year or years.

Gas Plant Accounts

1. INTANGIBLE PLANT

301 Organization.
302 Franchises and consents.
303 Miscellaneous intangible plant.

2. PRODUCTION PLANT

A. MANUFACTURED GAS PRODUCTION PLANT

304 Land and land rights.
305 Structures and improvements.
306 Boiler plant equipment.
307 Other power equipment.
308 Coke ovens.
309 Producer gas equipment.
310 Water gas generating equipment.
311 Liquefied petroleum gas equipment.
312 Oil gas generating equipment.
313 Generating equipment—Other processes.
314 Coal, coke, and ash handling equipment.
315 Catalytic cracking equipment.
316 Other reforming equipment.
317 Purification equipment.
318 Residual refining equipment.
319 Gas mixing equipment.
320 Other equipment.

B. NATURAL GAS PRODUCTION PLANT

B. 1. Natural Gas Production and Gathering Plant

325.1 Producing lands.
325.2 Producing leaseholds.
325.3 Gas rights.
325.4 Rights-of-way.
325.5 Other land and land rights.
326 Gas well structures.
327 Field compressor station structures.
328 Field measuring and regulating station structures.
329 Other structures.
330 Producing gas wells—Well construction.
331 Producing gas wells—Well equipment.
332 Field lines.
333 Field compressor station equipment.
334 Field measuring and regulating station equipment.
335 Drilling and cleaning equipment.
336 Purification equipment.
337 Other equipment.

B 2. Products Extraction Plant

340 Land and land rights.
341 Structures and improvements.
342 Extraction and refining equipment.

343 Pipe lines.
344 Extracted products storage equipment.
345 Compressor equipment.
346 Gas measuring and regulating equipment.
347 Other equipment.

3. STORAGE PLANT

A. UNDERGROUND STORAGE PLANT

350.1 Land.
350.2 Leaseholds.
350.3 Storage rights.
350.4 Rights-of-way.
350.5 Gas rights.
351 Structures and improvements.
352 Wells.
353 Lines.
354 Compressor station equipment.
355 Measuring and regulating equipment.
356 Purification equipment.
357 Other equipment.

B. LOCAL STORAGE PLANT

360 Land and land rights.
361 Structures and improvements.
362 Gas holders.
363 Other equipment.

4. TRANSMISSION PLANT

365.1 Land and land rights.
365.2 Rights-of-way.
366 Structures and improvements.
367 Mains.
368 Compressor station equipment.
369 Measuring and regulating station equipment.
370 Communication equipment.
371 Other equipment.

5. DISTRIBUTION PLANT

374 Land and land rights.
375 Structures and improvements.
376 Mains.
377 Compressor station equipment.
378 Measuring and regulating station equipment—General.
379 Measuring and regulating station equipment—City gate check stations.
380 Services.
381 Meters.
382 Meter installations.
383 House regulators.
384 House regulator installations.
385 Industrial measuring and regulating station equipment.
386 Other property on customers' premises.
387 Other equipment.

6. GENERAL PLANT

389 Land and land rights.
390 Structures and improvements.
391 Office furniture and equipment.
392 Transportation equipment.
393 Stores equipment.
394 Tools, shop and garage equipment.
395 Laboratory equipment.
396 Power operated equipment.
397 Communication equipment.
398 Miscellaneous equipment.
399 Other tangible property.

Gas Plant Accounts

1. INTANGIBLE PLANT

301 Organization.

This account shall include all fees paid to Federal or State governments for the privilege of incorporation and expenditures incident to organizing the corporation, partnership, or other enterprises and putting it into readiness to do business.

ITEMS

1. Cost of obtaining certificates authorizing an enterprise to engage in the public utility business.
2. Fees and expenses for incorporation.
3. Fees and expenses for mergers or consolidations.
4. Office expenses incident to organizing the utility.
5. Stock and minute books and corporate seal.

NOTE A: This account shall not include any discounts upon securities issued or assumed; nor shall it include any costs incident to negotiating loans, selling bonds or other evidences of debt, or expenses in connection with the authorization, issuance, or sale of capital stock.

NOTE B: Exclude from this account and include in the appropriate expense account the cost of preparing and filing papers in connection with the extension of the term of incorporation unless the first organization costs have been written off. When charges are made to this account for expenses incurred in mergers, consolidations, or reorganizations, amounts previously included herein or in similar accounts in the books of the companies concerned shall be excluded from this account.

302 Franchises and consents.

A. This account shall include amounts paid to the Federal Government, to a State or to a political subdivision thereof in consideration for franchises, consents, or certificates, running in perpetuity or for a specified term of more than 1 year, together with necessary and reasonable expenses incident to procuring such franchises, consents, or certificates of permission and approval, including expenses of organizing and merging separate corporations, where statutes require, solely for the purpose of acquiring franchises.

B. If a franchise, consent, or certificate is acquired by assignment, the charge to this account in respect thereof shall not exceed the amount paid therefor, or by the utility to the assignor, nor shall it exceed the amount paid by the original grantee, plus the expense of acquisition to such grantee. Any excess of the amount actually paid by the utility over the amount above specified shall be charged to account 435, Miscellaneous Debits to Surplus.

C. When any franchise has expired, the book cost thereof shall be credited hereto and charged to account 435, Miscellaneous Debits to Surplus, or to account 111.3, Accumulated Provision for Amortization of Other Gas Plant in Service, as appropriate.

D. Records supporting this account shall be kept so as to show separately the book cost of each franchise or consent.

NOTE: Annual or other periodic payments under franchises shall not be included herein but in the appropriate operating expense account.

303 Miscellaneous intangible plant.

A. This account shall include the cost of patent rights, licenses, privileges, and other intangible property necessary or valuable in the conduct of the utility's gas operations and not specifically chargeable to any other account.

B. When any item included in this account is retired or expires, the book cost thereof shall be credited hereto and charged to account 435, Miscellaneous Debits to Surplus, or account 111.3, Accumulated Provision for Amortization of Other Gas Plant in Service, as appropriate.

C. This account shall be maintained in such a manner that the utility can furnish full information with respect to the amounts included herein.

2. PRODUCTION PLANT

A. MANUFACTURED GAS PRODUCTION PLANT

304 Land and land rights.

This account shall include the cost of land and land rights used in connection with manufactured gas production. (See gas plant instruction 7.)

305 Structures and improvements.

This account shall include the cost of structures and improvements used in connection with manufactured gas production. (See gas plant instruction 8.)

NOTE: Include relief holders in this account.

306 Boiler plant equipment.

This account shall include the cost installed of furnaces, boilers, steam and feed water piping, boiler apparatus, and accessories used in the production of steam at gas production plants.

ITEMS

1. Accumulators.
2. Air preheaters, including fans and drives, and ducts not part of building.
3. Ash disposal equipment, including sluiceways not part of a building, pumps and piping, crane, ash bucket conveyor and drives, ash cars, etc.
4. Belt conveyors, including drives.
5. Blast gate valves.
6. Blow-down tanks and piping.
7. Boilers, including valves attached thereto, casings, safety valves, soot blowers, soot hoppers, superheaters, and feed water regulators.
8. Cinder and dust catcher system, including mechanical and electric types.
9. Coal and coke handling equipment, including hoppers, lorries, etc., used wholly for boilers.
10. Combustion control system, including all apparatus installed for the regulation and control of the supply of fuel or air to boilers.
11. Control apparatus.
12. Cranes, hoists, etc., wholly identified with apparatus listed herein.
13. Desuperheaters and reducing valves.
14. Draft apparatus, including forced, induced, and other draft systems, with blowers, fans, and ducts not part of building.
15. Economizers.
16. Emergency lighting systems, not part of building, keep-a-lite systems, etc.
17. Emergency signal systems, in connection with boiler operation.
18 Feed water heaters, including primary and stage.
19. Flues, uptakes, and breeching, whether or not stacks are included in this account.
20. Foundations and settings, specially constructed for and not intended to outlast the apparatus for which provided.
21. Furnaces.
22. Gas firing system, including gas lines, burners, etc., for gas fired boilers.
23. Injectors.
24. Mechanical stoker and feeding systems, clinker grinders, including drives.
25. Meters, gauges, recording instruments, etc.
26. Oil burning equipment, including tanks, heaters, pumps with drives, burner equipment, piping, and conditioning apparatus.
27. Painting, first cost.

28. Panels, control (for operating apparatus listed herein).
29. Piping system, steam header and exhaust header, including accessory pipe hangers, steam traps, etc., make-up water, feed water, drip, blow-off, water pipe lines used for steam plant, and valve control system.
30. Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein.
31. Pulverizing equipment.
32. Pumps and driving units, for feed water, heater condensate, condenser water, and drip.
33. Stacks—brick, steel, and concrete, when set on separate foundations independent of substructure or superstructure of building.
34. Steam reheaters.
35. Steelwork, especially constructed for apparatus listed herein.
36. Tanks, including surge, weighing, return, blow-off, feed water storage.
37. Tar burning equipment for utilization of tar as boiler fuel, including tanks, pumps, burner equipment, piping, etc.
38. Waste heat boilers and accessories—stack valve and stack irrespective of location.
39. Water treatment system, including purifiers, settling tanks, filters, chemical mixing and dosing apparatus, etc.

NOTE A: This account shall not include boilers or steam pipes whose primary purpose is the heating of buildings.

NOTE B: When the system for supplying boiler or condenser water is elaborate, as when it includes a dam, reservoir, canal, or pipe line, the cost shall not be charged to this account but to a special subdivision of account 305, Structures and Improvements—Manufactured Gas.

307 Other power equipment.

A. This account shall include the cost installed of electric generating and accessory equipment used for supplying electricity in gas production plants.

B. This account shall also include the cost installed of miscellaneous power equipment at gas production plants which is not included in any other account.

ITEMS

1. Acid proofing of battery rooms.
2. Air duct runs in battery rooms.
3. Air pump, streamjet.
4. Batteries for control and general station use.
5. Belts, pulleys, hangers, shafts, and countershafts.
6. Cables between generators and switchboards.
7. Cabinets, control.
8. Compartments, including buses, connections, and items permanently attached.
9. Enclosure equipment not an integral part of building.
10. Engines, including steam rotary or reciprocating; steam turbines, and internal combustion engines.
11. Foundations and settings, specially constructed for and not intended to outlast the apparatus for which provided.
12. Generators, a.c. or d.c., including excitation system.
13. Ground connections, for main station ground.
14. Lightning arresters.
15. Motor generators, frequency changers and converters.
16. Overhead power lines, including poles, crossarms, insulators, conductors, etc.
17. Panels, control, including supports and instruments.
18. Piping applicable to apparatus listed herein.
19. Reactors.
20. Rectifiers.
21. Safety equipment, including rubber mats, remote closing devices, glove cabinets.
22. Switchboards, including frames, panels, meters, and instruments.
23. Switching equipment, including oil circuit breakers, disconnecting switches, and connections.
24. Synchronous converters.
25. Transformers, including transformer platforms.
26. Underground conduit system, including manholes and conductors.

NOTE: When any unit of equipment listed herein is wholly used to furnish power to equipment included in another single account, its cost shall be included in such account.

308 Coke ovens.

This account shall include the cost installed of coke ovens used for the production of gas.

ITEMS

1. Apparatus for placing coal in ovens.
2. Bins, if not part of a building.
3. Cabinets, control.
4. Calorimeters.
5. Cars, quenching.
6. Charging lorry.
7. Clay mixers.
8. Coke guide.
9. Coke and pusher benches.
10. Collecting mains.
11. Control apparatus.
12. Conveyor, flight.
13. Cover lifting machinery.
14. Door handling machine.
15. Door luting machine.
16. Driving units for coke oven machinery.
17. Enclosures for machinery.
18. Engines, when not an integral part of the driven equipment.
19. Firing equipment.
20. Flues, uptakes, and breeching.
21. Foundations.
22. Fuel handling equipment used exclusively for coal to be carbonized in ovens.
23. Fuel systems under ovens.
24. Hot coke wharves.
25. Hot coke cars.
26. Instruments or meters, electrical.
27. Locomotives.
28. Mud mill.
29. Motor control equipment.
30. Ovens.
31. Panel, control.
32. Piping, including ascension pipes, hydraulic main, liquor flushing decanter tank, liquor pump, and return line to hydraulic main.
33. Pushers, including tracks and driving equipment.
34. Quenching station including structure, tank, well, piping, etc.
35. Quenching towers, piping, etc.
36. Regenerator, from bottom of oven floor tile to battery foundation.
37. Reversing machine, with enclosure.
38. Scale, platform.
39. Signal system.
40. Skip hoist.
41. Stacks.
42. Steel and iron work supports, platforms, stairways, etc.
43. Switches and switchboards.

309 Producer gas equipment.

This account shall include the cost installed of equipment used for the production of producer gas.

ITEMS

1. Ash handling equipment, used exclusively for producers.
2. Blast apparatus, including blowers, driving units, and blast mains.
3. Control apparatus.
4. Coolers and scrubbers.
5. Driving apparatus for producers.
6. Foundations and settings, specially constructed for and not intended to outlast the apparatus for which provided.
7. Fuel handling equipment, used exclusively for producers.
8. Humidifiers.
9. Piping—air, steam (commencing at steam header), water (inside of building), and producer gas (up to outlet of final piece of apparatus in building).
10. Producer boosters, including driving units.
11. Producers.
12. Water separators.

310 Water gas generating equipment.

This account shall include the cost installed of equipment used in the generation of water gas.

ITEMS

1. Automatic operation equipment.
2. Back-run installations.
3. Blast equipment, including blowers and driving units, piping and supports.
4. Bridge, coal shed to generator house.
5. Carburetors.
6. Charging equipment, fuel.
7. Circulating water pumps.
8. Concrete or brick pits, including cover, not part of building.
9. Control apparatus.
10. Conveyors.
11. Dust collectors.
12. Enclosures for equipment (barriers, fire walls, guards, housings, screens, etc.).
13. Flow meters.
14. Foundations and settings, specially constructed for and not intended to outlast the apparatus for which provided.
15. Fuel handling equipment used exclusively for fuel for this account.
16. Gauges, indicating and recording.
17. Generators.
18. Hot valves.
19. Hydraulic operation equipment.
20. Instruments and meters, electrical.
21. Oil handling and storage apparatus used solely for water gas apparatus (tanks, pumps and oil lines, oil heaters, manholes, valve pits, regulators, strainers, etc.).
22. Oil spray.
23. Operating floors and supports, stairways, etc.
24. Piling under foundations.
25. Piping and valves—steam (commencing at steam header), tar (to decanter), water (inside of building), and gas (up to outlet of final pieces of apparatus in building).
26. Pressure regulators.
27. Scales, when used in connection with items in this account.
28. Seal pots.
29. Superheaters and superheater stacks.
30. Tanks, hydraulic pressure.
31. Valve operating mechanisms.
32. Wash boxes.

311 Liquefied petroleum gas equipment.

A. This account shall include the cost installed of equipment used for the production of gas from petroleum derivatives, such as propane, butane, or gasoline.

B. Subdivisions of this account shall be maintained for each producing process for which this account is provided. A separate subaccount shall be maintained also for bottling equipment included herein.

ITEMS

1. Blowers.
2. Boilers.
3. Calorimixer.
4. Carbureting equipment.
5. Compression equipment.
6. Controller.
7. Control apparatus.
8. Enclosures and protective fences.

9. Foundations and settings, specially constructed for and not intended to outlast the apparatus for which provided.
10. Heat exchanger.
11. Gauges and instruments.
12. Mixing or proportioning equipment.
13. Motors, not an integral part of driven equipment.
14. Odorizing equipment.
15. Oil separator.
16. Piping—steam (commencing at steam header), water (inside of building), oil (from supply tank), and gas (up to outlet of final piece of apparatus in building).
17. Pits.
18. Prime movers.
19. Pumps, including driving units.
20. Regulator.
21. Stairs, platforms, and ladders.
22. Storage equipment, tanks, etc.
23. Superheater.
24. Traps.
25. Valves—regulating and check.
26. Vaporizing equipment.

312 Oil gas generating equipment.

This account shall include the cost installed of equipment used for generating oil gas.

ITEMS

1. Air blast equipment, including blowers and driving units, piping and supports.
2. Air inlet louvres and filters.
3. Foundations and settings, specially constructed for and not intended to outlast the apparatus for which provided.
4. Generating equipment, including automatic cycle controls, generators, operating floor, superheaters and wash boxes.
5. Instruments and instrument boards, complete with signal lights and thermocouples and including gauge board, pressure gauges, and pyrometers.
6. Meters and regulators, such as, air flow meter, generator oil meter, steam flow meter, and steam regulator.
7. Piping and valves, air, steam (commencing at steam header), water (inside building), and oil gas (up to outlet of final piece of apparatus in building).
8. Pumps, hydraulic and oil.
9. Tanks, hydraulic accumulator, hydraulic return, oil and steam accumulator.

313 Generating equipment — Other processes.

This account shall include, with subdivisions for each type of gas produced, the cost installed of generating equipment which is not included in any of the foregoing accounts, such as benches and retorts for the production of coal gas, equipment used for generating acetylene gas, etc.

ITEMS

As to coal gas production equipment:
1. Benches.
2. Charging and drawing machines.
3. Control apparatus.
4. Equipment for steaming retorts.
5. Flues, uptakes and breeching, whether or not stacks are included in this account.
6. Foundations.
7. Fuel handling equipment used exclusively for retorts, including weight lorries, tracks, etc., and grinders, breakers, and screens located in retort house.
8. Fuel system under retorts, including built-in producers.
9. Piping, including ascension pipes, hydraulic main, liquor flushing decanter tank, liquor pump, and return line to hydraulic main.
10. Primary atmospheric condensers.
11. Retorts.
12. Stacks—brick, steel, and concrete when set on separate foundations independent of substructure or superstructure of buildings, including lightning arresters.

314 Coal, coke, and ash handling equipment.

This account shall include the cost installed of structures or equipment used for the transportation, storage, washing, and treatment of coal, coke, and ashes, when used for general gas plant operations.

ITEMS

1. Bins—mixing, refuse, storage, etc.
2. Boom operating mechanism.
3. Breaker equipment.
4. Bridges, bridge track, and machinery.
5. Bucket conveyors and supports.
6. Capstan.
7. Cars.
8. Chutes.
9. Circuit breakers.
10. Coal loaders.
11. Coal preparation machinery, including washing and drying equipment.
12. Conduit, electrical.
13. Conveyors and supports.
14. Crane, caterpillar.
15. Driving apparatus for equipment listed herein.
16. Elevators.
17. Enclosure equipment.
18. Engines, not an integral part of driven equipment.
19. Foundations and settings, specially constructed for and not intended to outlast the apparatus for which provided.
20. Gravity swing unloader.
21. Hoppers.
22. Instruments or meters, electrical.
23. Ladders, fixed.
24. Loading towers and equipment.
25. Locomotives.
26. Motor generators used only for equipment in this account.
27. Panel, control.
28. Pitts.
29. Pulverizing equipment.
30. Railroad sidings and yard tracks.
31. Sampling equipment.
32. Scales.
33. Screens.
34. Sheds and fencing.
35. Shuttle boom.
36. Signal system equipment.
37. Silo.
38. Skip hoist.
39. Stairs, railings, etc.
40. Transfer cars and trucks.
41. Trestles.
42. Turntable.
43. Unloaders.
44. Weighometer.

315 Catalytic cracking equipment.

This account shall include the cost installed of equipment used for producing gas by the catalytic cracking process.

ITEMS

1. Caloric meters.
2. Catalytic furnace, including catalyst and foundation.
3. Combustion air blowers.
4. Compressors, air.
5. Control equipment.
6. Cooling coils, including foundations.
7. Cooling towers, including foundations.
8. Enclosures.
9. Fractionalizing units.
10. Piping and valves.
11. Preheaters.
12. Pressure regulators.
13. Proportioning controls.
14. Tanks.
15. Vaporizers.

316 Other reforming equipment.

This account shall include the cost installed of equipment, other than catalytic cracking equipment, used primarily for reforming gas with resultant changes in its chemical composition and calorific value.

ITEMS

1. Blast equipment, including blowers and driving units, piping, and supports.
2. Control apparatus.
3. Foundations and settings, specially constructed for and not intended to outlast the apparatus for which provided.
4. Fuel and ash handling equipment, used wholly in reforming gas.
5. Oil gas apparatus, used for reforming gas.
6. Piping—steam (commencing at steam header), water (inside of building), and gas (up to outlet of final piece of apparatus in building).
7. Pumps and driving units.
8. Purifiers for gas to be reformed.
9. Regulators.
10. Water gas generators, used primarily for reforming gas.

317 Purification equipment.

This account shall include the cost installed of apparatus used for the removal of impurities from gas and apparatus for conditioning gas, including pumps, wells, and other accessory apparatus.

ITEMS

1. Blowers for revivifying.
2. Blowers for activators.
3. Condensers and washer coolers.
4. Control apparatus—conduit, cable, cabinets, switchboards, etc.
5. Crane or cover lifting equipment, not part of the structure.
6. Dehydrators.
7. Engines, not an integral part of driven equipment.
8. Foundations and settings, specially constructed for and not intended to outlast the equipment for which provided.
9. Instruments and meters, electric.
10. Lubricators.
11. Napthalene and light oil scrubbers.
12. Other accessory equipment such as coolers, spray ponds, pumps, platforms, railings, stairs.
13. Oxide elevators and pits, platforms, tables, and trenches.
14. Piping—air, steam, water, gas, condensate, liquor, tar, etc., from inlet valve of first piece of apparatus to outlet valve of final piece of apparatus (or, in building, from entrance to building to exit from building).
15. Precipitators.
16. Purifiers—iron oxide or liquid, including first filling.
17. Recording gauges and thermometers.
18. Revivifying air ducts.
19. Saturator with auxiliary equipment.
20. Scrubbers.
21. Seal and drip pots.
22. Signal system identified with equipment herein.
23. Sulphur removal apparatus.
24. Tar extractors and Cottrell precipitators.
25. Tar pumps and tanks.
26. Track runs for cranes and hoists.
27. Wash boxes.
28. Water meters, for cooling water.

318 Residual refining equipment.

This account shall include the cost installed of apparatus used in refining and handling of residuals except where the apparatus is necessary for the operation of property included in account 317, Purification Equipment.

ITEMS

1. Ammonia stills, condensers, saturators, etc.

2. Apparatus for removal of residuals from purifier liquids.
3. Coke filter.
4. Coke handling and storage facilities, used solely for coke held for sale.
5. Condensers.
6. Control apparatus.
7. Coolers.
8. Decanters.
9. Foundations specially constructed for and not intended to outlast the apparatus for which provided.
10. Gauges.
11. Heating equipment for apparatus included in this account.
12. Instruments.
13. Light oil stills, washers, etc.
14. Piping and pumps.
15. Platforms, stairs, and ladders.
16. Separators.
17. Storage tanks.
18. Supports.
19. Tar dehydrators, stills, etc.

319 Gas mixing equipment.

This account shall include the cost installed of equipment used for mixing manufactured and natural gas, or the mixing of other gases incident to delivery of such mixed gases to the distribution system.

ITEMS

1. Alcohol units.
2. Automatic mixing controls.
3. Btu adjustor.
4. Calorimeter.
5. Calorimixer.
6. Compressor.
7. Gas heater.
8. Gas scrubber (air filter, dust cleaner).
9. Gauges and instruments.
10. Meters.
11. Mixing chambers.
12. Odorizing equipment.
13. Oil pump units.
14. Panel and control equipment.
15. Piping and valves.
16. Regulators, pressure and ratio.
17. Safety alarm equipment.

320 Other equipment.

This account shall include the cost installed of equipment used in the production of gas, when not assignable to any of the foregoing accounts.

ITEMS

1. Cabinet, control.
2. Compressed air system.
3. Fire hose carts.
4. First aid room equipment.
5. Foamite system.
6. Foundations and settings specially constructed for and not intended to outlast the apparatus for which provided.
7. Gasoline pumps.
8. Hand pumps.
9. Machine shop equipment, such as lathes, pipe cutting and threading machines, vise grinders, power saw, shop motors, shafting and belting, drill press, shapers, milling machines, planes, etc.
10. Odorizing equipment.
11. Office furniture and equipment.
12. Oil foggers.
13. Panel, control.
14. Piping—yard, when not includible in other accounts.
15. Pits.
16. Platforms.
17. Portable scaffolds, ladders, etc.
18. Power shovels.
19. Production laboratory equipment.
20. Scales, not associated with other equipment.
21. Special signal equipment.
22. Tractors for general plant use.
23. Works exhauster including driving unit and governor.
24. Works station meters, including gauges, piping and accessories.

B. NATURAL GAS PRODUCTION PLANT

B. 1. Natural Gas Production and Gathering Plant

325.1 Producing lands.

This account shall include the cost of lands held in fee on which producing natural gas wells are located, and lands held in fee which are being drained of natural gas through the operation by the utility of wells on other land. (See gas plant instruction 7–G.)

325.2 Producing leaseholds.

A. This account shall include the cost of acquiring leaseholds on which the utility pays royalties for natural gas obtained therefrom. (See gas plant instruction 7–G.)

B. Exclude from this account rents paid periodically for rights obtained under leases. Exclude also from this account the cost of leaseholds which terminate in one year or less after they become effective.

325.3 Gas rights.

This account shall include the cost of natural gas rights used in producing natural gas, whereby the utility obtains ownership in gas underlying land not owned or leased by the utility. It does not provide for gas rights which are leased and which are properly chargeable to account 325.2, Producing Leaseholds.

325.4 Rights-of-way.

This account shall include the cost of all interests in land which terminate more than one year after they become effective and on which are located gathering pipe lines, telephone pole lines, and like property used in connection with the production of natural gas.

325.5 Other land and land rights.

This account shall include the cost of land and land rights used in connection with the production of natural gas, when not properly assignable to any of the foregoing accounts.

326 Gas well structures.

This account shall include the cost of well structures and improvements used in connection with the housing of permanent bailers and other equipment necessary to keep the wells in operation. (See gas plant instruction 8.)

327 Field compressor station structures.

This account shall include the cost of structures and improvements used in connection with the housing of compressor station equipment used to raise the pressure of natural gas before it is conveyed to the terminus of the field lines. (See gas plant instruction 8.)

328 Field measuring and regulating station structures.

This account shall include the cost of structures and improvements used in connection with the housing of meters, regulators, and appurtenant appliances for measuring and regulating natural gas before the point where it enters the transmission or distribution system. (See gas plant instruction 8.)

329 Other structures.

This account shall include the cost of structures and improvements used in connection with natural gas production and gathering not provided for elsewhere. (See gas plant instruction 8.)

330 Producing gas wells—Well construction.

This account shall include the cost of drilling producing gas wells.

ITEMS

1. Clearing well site.
2. Hauling, erecting, dismantling, and removing boilers, portable engines, derricks, rigs, and other equipment and tools used in drilling.
3. Drilling contractors' charges.
4. Drive pipe.
5. Fuel or power.
6. Labor.
7. Rent of drilling equipment.
8. Water used in drilling, obtained either by driving wells, piping from springs or streams, or by purchase.
9. Hauling well equipment.
10. Shooting, fracturing, acidizing.

331 Producing gas wells—Well equipment.

This account shall include the cost of equipment in producing gas wells.

ITEMS

1. Bailing equipment.
2. Boilers and drives permanently connected.
3. Casing.
4. Derrick.
5. Fence, when solely an enclosure for equipment.
6. Fittings, including shut-in valves, bradenheads and casing heads.
7. Packing.
8. Tank, oil or water, etc.
9. Tubing.

332 Field lines.

This account shall include the cost installed of field lines used in conveying natural gas from the wells to the point where it enters the transmission or distribution system.

ITEMS

1. Gathering lines, including pipe, valves, fittings, and supports.
2. Cathodic protection equipment.
3. Creek crossings, suspension bridges and other special construction.
4. Line drips and separators.

333 Field compressor station equipment.

This account shall include the cost installed of compressor station equipment and associated appliances used to raise the pressure of natural gas before it is conveyed to the terminus of the field lines.

ITEMS

1. Boiler plant, coal handling and ash handling equipment for steam powered compressor station.
2. Compressed air system equipment.
3. Compressor equipment and driving units, including auxiliaries, foundations, guard rails and enclosures, etc.
4. Electric system equipment, including generating equipment and driving units, power wiring, transformers, regulators, battery equipment, switchboard, etc.
5. Fire fighting equipment.

6. Gas lines and equipment, including fuel supply lines, cooling tower and pond and associated equipment, dehydrators, fuel gas mixers, special pipe bends and connections, and associated scrubbers, separators, tanks, gauges and instruments.
7. Laboratory and testing equipment.
8. Lubricating oil system, including centrifuge, filter, tanks, purifier, and lubricating oil piping, etc.
9. Office furniture and fixtures and general equipment such as heating boilers, steel lockers, first-aid equipment, gasoline dispensing equipment, lawn mowers, incinerators, etc.
10. Shop tools and equipment.
11. Water supply and circulation system, including water well, tank, water piping, cooling tower, spray fence, and water treatment equipment, etc., but not including water system equipment solely for domestic and general use.

334 Field measuring and regulating station equipment.

This account shall include the cost installed of meters, gauges, and other equipment used in measuring and regulating natural gas collected in field lines before the point where it enters the transmission or distribution system.

ITEMS

1. Automatic control equipment.
2. Boilers, heaters, etc.
3. Foundations, pits, etc.
4. Gas cleaners, scrubbers, separators, dehydrators, etc.
5. Gauges and instruments, including piping, fittings, wiring, etc., and panel boards.
6. Headers.
7. Meters, orifice or positive, including piping and connections.
8. Oil fogging equipment.
9. Odorizing equipment.
10. Regulators or governors, including controls and instruments.
11. Structures of a minor nature or portable type.

335 Drilling and cleaning equipment.

This account shall include the cost of implements and equipment used in drilling and cleaning natural gas wells.

ITEMS

1. Bailers.
2. Bits and other drilling tools.
3. Boilers.
4. Derricks.
5. Drilling cables.
6. Drilling machines.
7. Engines.
8. Motors.
9. Pulling machines.
10. Pumps.
11. Rigs.
12. Tanks.

336 Purification equipment.

This account shall include the cost installed of apparatus used for the removal of impurities from gas and apparatus for conditioning gas.

ITEMS

1. Condensers and washer coolers.
2. Dehydrators.
3. Foundations and settings, specially constructed for and not intended to outlast the equipment for which provided.
4. Other accessory equipment, such as coolers, spray ponds, pumps, platforms, railings, stairs.
5. Piping, from inlet valve of first piece of apparatus to outlet valve of final piece of apparatus (or, in building, from entrance to building to exit from building).
6. Scrubbers.
7. Sulphur removal apparatus.
8. Water supply system.

NOTE: In general this account shall include all dehydrators located in or adjacent to production areas which are used to remove water and other stray liquids from gas produced by the utility or purchased in or adjacent to production areas. In some instances such dehydrators may be located some distance from the production sources of the gas. Where, however, the utility has no production and gathering facilities with respect to any of the gas passing through the dehydrators, such as at the purchase point at the head of a transmission pipe line company, the dehydrators may be included in account 368, Compressor Station Equipment, or account 367, Mains, whichever is the most practicable and reasonable under the circumstances. Dehydrators which are an adjunct to products extraction operations shall be included in account 342, Extraction and Refining Equipment. Dehydrators used in connection with underground gas storage operations shall be included in account 356, Purification Equipment.

337 Other equipment.

This account shall include the cost installed of equipment used in the production and gathering of natural gas, when not assignable to any of the foregoing accounts.

ITEMS

1. Calorimeter.
2. Control installation.
3. Crane.
4. Laboratory equipment.
5. Odorizing unit.
6. Office furniture and equipment.
7. Oil fogger.

B 2. Products Extraction Plant

340 Land and land rights.

This account shall include the cost of land and land rights used in connection with the processing of natural gas for removal of gasoline, butane, propane, or other salable products. (See gas plant instruction 7.)

341 Structures and improvements.

This account shall include the cost of structures and improvements used in connection with the processing of natural gas for removal of gasoline, butane, propane, or other salable products. (See gas plant instruction 8.)

342 Extraction and refining equipment.

This account shall include the cost installed of equipment used for the extraction from natural gas of gasoline, butane, propane, or other salable products and for the refining of such products.

ITEMS

1. Boiler plant equipment, including boiler, boiler setting, heat exchangers, etc.
2. Compressed air system, including air compressor, air storage tank, etc.
3. Cooling equipment such as coolers, cooling tower and accessories for gas, extracted products, etc.
4. Cranes, trolleys, and hoists.
5. Electrical system, including generator and driving unit, power lines, transformers, switchboard, yard lighting system, etc.
6. Extraction and refining equipment, such as absorbers, reabsorbers, stills, dephlegmators, fractionating towers, stabilizing columns, control apparatus.
7. Foundations and structural supports for equipment items not intended to outlast the equipment for which provided.
8. Fuel regulating and measuring equipment.
9. Gasoline blending equipment including dye pot, educator pumps, lead storage tanks, weighing device, etc.
10. Gauges and instruments.
11. Loading racks and associated other equipment.
12. Lubricating oil system.
13. Pumps of various types, such as boiler feed water pumps, loading and transfer pumps, drip still pumps, oil pumps, skimmer basin pumps, etc.
14. Tanks of various types such as accumulator and dewatering tanks, separator tanks, gasoline feed tanks, compressed air tanks, oil surge tanks, etc., except tanks classifiable as storage equipment, account 344.
15. Water supply system including water well, water tank and supports, water softener or purification apparatus, traveling water screen and drive.
16. Yard piping, gas, water, steam, compressed air, fuel, vapor, extracted products, including headers, valves, etc., but not including off-site lines includible in account 343, Pipe Lines.

343 Pipe lines.

This account shall include the cost installed of gas and liquids pipe lines used in connection with the processing of natural gas for the removal of gasoline, butane, propane, or other salable products, exclusive of runs of pipe appropriately includible in other equipment accounts, embracing principally off-site gas, gasoline gathering, and loading lines not includible as yard piping in account 342, Extraction and Refining Equipment.

ITEMS

1. Gas lines, off-site, relating solely to extraction operations.
2. Gasoline gathering lines connecting with off-site sources.
3. Gathering line drips.
4. Instruments, indicating and recording.
5. Loading lines connecting with remote off-site loading racks or storage facilities.
6. Pumps and driving units.

344 Extracted products storage equipment.

This account shall include the cost installed of storage tanks and associated equipment used in the storing, prior to sale, of gasoline, butane, propane, and other salable products extracted from natural gas.

ITEMS

1. Foundations.
2. Instruments.
3. Regulators.
4. Storage tanks for partially or fully processed products.
5. Valves.

345 Compressor equipment.

This account shall include the cost installed of compressor equipment and associated appliances used in connection with the receipt, processing, and return of natural gas processed for removal of gasoline, butane, propane, or other salable products.

ITEMS

(See account 333 for items.)

346 Gas measuring and regulating equipment.

This account shall include the cost installed of meters, gauges, and other equipment used in measuring or regulat-

ing natural gas received and/or returned from processing for removal of gasoline, butane, propane, or other salable products.

ITEMS

1. Automatic control equipment.
2. Boilers, heaters, etc.
3. Foundations, pits, etc.
4. Gas cleaners, scrubbers, separators, dehydrators, etc.
5. Gauges and instruments, including piping, fittings, wiring, etc., and panel boards.
6. Headers.
7. Meters, orifice or positive, including piping and connections.
8. Oil fogging equipment.
9. Odorizing equipment.
10. Regulators or governors, including controls and instruments.
11. Structures of a minor nature or portable type.

347 Other equipment.

This account shall include the cost installed of equipment used in processing natural gas and refining gasoline, butane, propane, and other salable products extracted from natural gas, when not assignable to any of the foregoing accounts.

ITEMS

1. Fire fighting equipment.
2. Laboratory and testing equipment.
3. Miscellaneous equipment, such as first-aid cabinet, gasoline dispensing pump, heating boiler, incinerator, lawn mower, warehouse truck.
4. Office furniture and equipment.
5. Shop tools and equipment.

3. STORAGE PLANT

A. UNDERGROUND STORAGE PLANT

350.1 Land.

This account shall include the cost of lands held in fee on which underground storage wells are located, and other lands held in fee within an area utilized for the underground storage of gas. (See gas plant instruction 7–G.)

350.2 Leaseholds.

A. This account shall include the cost of acquiring leaseholds on lands within an area of underground gas storage operations. (See gas plant instruction 7–G.)

B. Exclude from this account rents paid periodically for rights obtained under leases.

350.3 Storage rights.

A. This account shall include the cost of rights obtained from others for use of lands for the underground storage of gas.

B. Exclude from this account rents or other charges paid periodically for use of lands for underground gas storage purposes.

350.4 Rights-of-way.

This account shall include the cost of all interests in land which do not terminate until more than one year after they become effective and on which are located underground storage lines, telephone pole lines, and like property used in connection with underground gas storage operations.

350.5 Gas rights.

This account shall include the cost of natural gas rights whereby the utility obtains ownership in gas underlying land within an underground gas storage area but not owned or leased by the utility. It does not provide for gas rights which are leased and which are properly chargeable to account 350.2, Leaseholds.

351 Structures and improvements.

A. This account shall include the cost in place of structures and improvements used wholly or predominantly in connection with underground storage of natural gas. (See gas plant instruction 8.)

B. This account shall be subdivided as follows:

351.1 Well structures.
351.2 Compressor station structures.
351.3 Measuring and regulating station structures.
351.4 Other structures.

352 Wells.

This account shall include the drilling cost of wells used for injection and withdrawal of gas from underground storage projects, including wells kept open and used for observation.

ITEMS

Drilling:
1. Clearing well site.
2. Hauling, erecting, dismantling, and removing boilers, portable engines, derricks, rigs, and other equipment and tools used in drilling.
3. Drilling contractors' charges.
4. Drive pipe.
5. Fuel or power.
6. Labor.
7. Rent of drilling equipment.
8. Water used in drilling, obtained either by driving wells, piping from springs or streams, or by purchase.
9. Hauling well equipment.
10. Shooting, fracturing, acidizing.

Equipment:
11. Bailing equipment.
12. Boilers and drives permanently connected.
13. Casing.
14. Derrick.
15. Fence, when solely an enclosure for equipment.
16. Fittings, including shut-in valves, bradenheads and casing heads.
17. Packing.
18. Tank, oil or water, etc.
19. Tubing.

353 Lines.

This account shall include the cost installed of gas pipe lines used wholly or predominantly for conveying gas from point of connection with transmission or field lines to underground storage wells and from underground storage wells to the point where the gas enters the transmission or distribution system.

ITEMS

1. Cathodic protection equipment.
2. Creek crossings, suspension bridges and other special construction.
3. Lines, including pipe, valves, fittings, and supports.
4. Line drips and separators.

354 Compressor station equipment.

This account shall include the cost installed of compressor station equipment used wholly or predominantly for the purpose of raising the pressure of gas for delivery to underground storage or to raise the pressure of gas withdrawn from underground storage for delivery to the transmission or distribution system.

ITEMS

1. Boiler plant, coal handling and ash handling equipment for steam powered compressor station.
2. Compressed air system equipment.
3. Compressor equipment and driving units, including auxiliaries, foundations, guard rails and enclosures, etc.
4. Electric system equipment, including generating equipment and driving units, power wiring, transformers, regulators, battery equipment, switchboard, etc.
5. Fire fighting equipment.
6. Gas lines and equipment, including fuel supply lines, cooling tower and pond and associated equipment, dehydrators, fuel gas mixers, special pipe bends and connections, and associated scrubbers, separators, tanks, gauges and instruments.
7. Laboratory and testing equipment.
8. Lubricating oil system, including centrifuge, filter, tanks, purifier, and lubricating oil piping, etc.
9. Office furniture and fixtures and general equipment such as steel lockers, first-aid equipment, gasoline dispensing equipment, lawn mowers, incinerators, etc.
10. Shop tools and equipment.
11. Water supply and circulation system, including water well, tank, water piping, cooling tower, spray fence, and water treatment equipment, etc., but not including water system equipment solely for domestic and general use.

355 Measuring and regulating equipment.

This account shall include the cost installed of equipment used wholly or predominantly for the purpose of measuring and regulating deliveries of gas to underground storage and withdrawals of gas from underground storage.

ITEMS

1. Automatic control equipment.
2. Boilers, heaters, etc.
3. Foundations, pits, etc.
4. Gas cleaners, scrubbers, separators, dehydrators, etc.
5. Gauges and instruments, including piping, fittings, wiring, etc., and panel boards.
6. Headers.
7. Meters, orifice or positive, including piping and connections.
8. Oil fogging equipment.
9. Odorizing equipment.
10. Regulators or governors, including controls and instruments.
11. Structures of a minor nature or portable type.

356 Purification equipment.

This account shall include the cost installed of apparatus used wholly or predominantly for the removal of impurities from and the conditioning of, gas delivered to or removed from underground storage fields.

ITEMS

1. Condensers and washer coolers.
2. Dehydrators.
3. Foundations and settings, specially constructed for and not intended to outlast the equipment for which provided.
4. Other accessory equipment, such as coolers, spray ponds, pumps, platforms, railings, stairs.
5. Piping, from inlet valve of first piece of apparatus to outlet valve of final piece of apparatus (or, in building, from entrance to building to exit from building).
6. Scrubbers.
7. Sulphur removal apparatus.
8. Water supply system.

357 Other equipment.

This account shall include the cost installed of equipment used wholly or predominantly in connection with underground storage of gas, when not assignable to any of the foregoing accounts.

ITEMS

1. Calorimeter.
2. Control installation.
3. Crane.
4. Odorizing unit.
5. Office furniture and equipment.
6. Oil fogger.

B. LOCAL STORAGE PLANT

360 Land and land rights.

This account shall include the cost of land and land rights used in connection with local storage of gas in holders within or adjacent to distribution areas. (See gas plant instruction 7.)

361 Structures and improvements.

This account shall include the cost in place of structures and improvements used in connection with local storage of gas within or adjacent to distribution areas (See gas plant instruction 8.)

362 Gas holders.

This account shall include the cost installed of holders and associated appliances used in the storage of gas above ground, or in underground receptables installed for local storage purposes.

ITEMS

1. Alarm systems.
2. Buried piping, tanks or other underground construction for gas storage.
3. Flood and fire control equipment.
4. Foundations.
5. Holder pistons.
6. Holders-waterless, including elevators, tar apparatus, and inlet and outlet connections.
7. Holders-waterseal, including oil skimmer, heating equipment, drips, and inlet and outlet connections.
8. Hortonspheres and high pressure tanks, including inlet and outlet connections, access equipment, etc.
9. Lighting.
10. Pumps.
11. Ventilating equipment.
12. Walkways.

NOTE A: If the utility stores gas by the liquefaction process the holders for such liquids, whether above or below ground, shall be included in a separate subaccount hereunder.

NOTE B: Relief holders used in connection with manufactured gas operations shall be included in account 305, Structures and Improvements.

363 Other equipment.

This account shall include the cost installed of other equipment used in connection with the storage of gas within or adjacent to distribution areas.

ITEMS

1. Complete inlet and outlet connections.
2. Compressor.
3. Foundation.
4. Gauges and instruments.
5. Regulating apparatus.

4. TRANSMISSION PLANT

365.1 Land and land rights.

This account shall include the cost of land and land rights except rights-of-way used in connection with transmission operations. (See gas plant instruction 7.)

365.2 Rights-of-way.

This account shall include the cost of rights-of-way used in connection with transmission operations. (See gas plant instruction 7.)

366 Structures and improvements.

A. This account shall include the cost in place of structures and improvements used in connection with transmission operations. (See gas plant instruction 8.)

B. This account shall be subdivided as follows:

366.1 *Compressor Station Structures.*
366.2 *Measuring and Regulating Station Structures.*
366.3 *Other Structures.*

367 Mains.

A. This account shall include the cost installed of transmission system mains.

B. The records supporting this account shall be so kept as to show separately the cost of mains of different sizes and types and of each tunnel, bridge, or river crossing.

ITEMS

1. Anti-freeze lubricating equipment.
2. Automatic valve operating mechanisms, including pressure tanks, etc.
3. By-pass assembly.
4. Caissons, tunnels, trestles, etc., for submarine mains.
5. Cathodic protection equipment.
6. Drip lines and pots.
7. Excavation, including shoring, bracing, bridging, pumping, backfill, and disposal of excess excavated material.
8. Foundations.
9. Gas cleaners, scrubbers, etc. when not part of compressor station or measuring and regulating equipment.
10. Leak clamps. (See gas plant instruction 10–C (1).)
11. Linewalkers' bridges.
12. Manholes.
13. Municipal inspection.
14. Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks.
15. Permits.
16. Pipe coating.
17. Pipe and fittings.
18. Pipe laying.
19. Pipe supports.
20. Protection of street openings.
21. River, highway, and railroad crossings, including revetments, pipe anchors, etc.
22. Valves.
23. Welding.

368 Compressor station equipment.

This account shall include the cost installed of compressor station equipment and associated appliances used in connection with transmission system operations.

ITEMS

1. Boiler plant, coal handling and ash handling equipment for steam powered compressor station.
2. Compressed air system equipment.
3. Compressor equipment and driving units, including auxiliaries, foundations, guard rails and enclosures, etc.
4. Electric system equipment, including generating equipment and driving units, power wiring, transformers, regulators, battery equipment, switchboard, etc.
5. Fire fighting equipment.
6. Gas lines and equipment, including fuel supply lines, cooling tower and pond and associated equipment, dehydrators, fuel gas mixers, special pipe bends and connections, and associated scrubbers, separators, tanks, gauges and instruments.
7. Laboratory and testing equipment.
8. Lubricating oil system, including centrifuge, filter, tanks, purifier, and lubricating oil piping, etc.
9. Office furniture and fixtures and general equipment such as steel lockers, first-aid equipment, gasoline dispensing equipment, lawn mowers, incinerators, etc.
10. Shop tools and equipment.
11. Water supply and circulation system, including water well, tank, water piping, cooling tower, spray fence, and water treatment equipment, etc., but not including water system equipment solely for domestic and general use.

369 Measuring and regulating station equipment.

This account shall include the cost installed of meters, gauges, and other equipment used in measuring or regulating gas in connection with transmission system operations.

ITEMS

1. Automatic control equipment.
2. Boilers, heaters, etc.
3. Foundations, pits, etc.
4. Gas cleaners, scrubbers, separators, dehydrators, etc.
5. Gauges and instruments, including piping, fittings, wiring, etc., and panel boards.
6. Headers.
7. Meters, orifice or positive, including piping and connections.
8. Oil fogging equipment.
9. Odorizing equipment.
10. Regulators or governors, including controls and instruments.
11. Structures of a minor nature or portable type.

NOTE: Pipe lines companies shall include in the transmission functional classification city gate and main line industrial measuring and regulating stations, except that where pipe line companies measure deliveries of gas at entry points to their own distribution systems, they shall have the option, if consistently observed, of including such stations either in the transmission or distribution function for the purposes of this system of accounts.

370 Communication equipment.

This account shall include the cost installed of radio, telephone, microwave, and other equipment used wholly or predominantly in connection with the operation and maintenance of the gas transmission system. (See also account 397, Communication Equipment.)

ITEMS

1. Carrier terminal equipment including repeaters, power supply equipment, transmitting and receiving sets.
2. Microwave equipment, including power supply equipment, transmitters, amplifiers, paraboloids, towers, reflectors, receiving equipment, etc.
3. Radio equipment, fixed and mobile, including antenna, power equipment, transmitters and receivers, and portable receiver-transmitter units.
4. Telephone equipment including switchboards, power and testing equipment, conductors, pole lines, etc.

371 Other equipment.

This account shall include the cost installed of equipment used in transmis-

sion system operations, when not assignable to any of the foregoing accounts.

5. DISTRIBUTION PLANT

374 Land and land rights.

This account shall include the cost of land and land rights used in connection with distribution operations. (See gas plant instruction 7.)

375 Structures and improvements.

This account shall include the cost in place of structures and improvements used in connection with distribution operations. (See gas plant instruction 8.)

376 Mains.

A. This account shall include the cost installed of distribution system mains.

B. The records supporting this account shall be so kept as to show separately the cost of mains of different sizes and types and of each tunnel, bridge, or river crossing.

ITEMS

1. Caissons, tunnels, trestles, etc. for submarine mains.
2. Clamps, leak (bell and spigot) when installed at time of construction; when clamps are installed subsequent to construction, the accounting shall be in accordance with gas plant instruction 10, paragraph (C) 1.
3. Drip lines and pots.
4. Electrolysis tests, in connection with new construction.
5. Excavation, including shoring, bracing, bridging, pumping, backfill, and disposal of excess excavated material.
6. Hauling, unloading, and stringing pipe.
7. Lamping and watching new construction.
8. Municipal inspection.
9. Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks.
10. Permits.
11. Pipe coating.
12. Pipe and fittings.
13. Pipe laying.
14. Pipe supports.
15. Protection of street openings.
16. Relocating city storm and sanitary sewers, catch basins, etc., or protecting same in connection with new construction.
17. Replacement of municipal drains and culverts in connection with new construction.
18. Roadway boxes.
19. Shifting excavated material due to traffic conditions in connection with new construction.
20. Sleeves and couplings.
21. Special crossovers, bridges and foundations for special construction.
22. Surveying and staking lines.
23. Valves not associated with pumping or regulating equipment.
24. Welding.
25. Wood blocking.

377 Compressor station equipment.

This account shall include the cost installed of compressor station equipment and associated appliances used in connection with distribution system operations.

ITEMS

1. Boiler plant, coal handling and ash handling equipment for steam powered compressor station.
2. Compressed air system equipment.
3. Compressor equipment and driving units, including auxiliaries, foundations, guard rails and enclosures, etc.
4. Electric system equipment, including generating equipment and driving units, power wiring, transformers, regulators, battery equipment, switchboard, etc.
5. Fire fighting equipment.
6. Gas lines and equipment, including fuel supply lines, cooling tower and pond and associated equipment, dehydrators, fuel gas mixers, special pipe bends and connections, and associated scrubbers, separators, tanks, gauges and instruments.
7. Laboratory and testing equipment.
8. Lubricating oil system, including centrifuge, filter, tanks, purifier, and lubricating oil piping, etc.
9. Office furniture and fixtures and general equipment such as steel lockers, first-aid equipment, gasoline dispensing equipment, lawn mowers, incinerators, etc.
10. Shop tools and equipment.
11. Water supply and circulation system, including water well, tank water piping, cooling tower, spray fence and water treatment equipment, etc., but not including water system equipment solely for domestic and general use.

378 Measuring and regulating station equipment—General.

This account shall include the cost installed of meters, gauges and other equipment used in measuring and regulating gas in connection with distribution system operations other than the measurement of gas deliveries to customers.

ITEM

1. Automatic control equipment.
2. Foundations.
3. Gauges and instruments.
4. Governors or regulators.
5. Meters.
6. Odorizing equipment.
7. Oil fogging equipment.
8. Piping.
9. Pressure relief equipment.
10. Vaults or pits, including valves contained therein.

NOTE: By-passes outside governor pits are includible in account 376, Mains.

379 Measuring and regulating station equipment—City gate check stations.

This account shall include the cost installed of meters, gauges, and other equipment used in measuring and regulating the receipt of gas at entry points to distribution systems.

NOTE: Pipe line companies shall include in the transmission functional classification city gate and main line industrial measuring and regulating stations, except that where pipe line companies measure deliveries of gas at entry points to their own distribution systems, they shall have the option, if consistently observed, of including such stations either in the transmission or distribution function for the purposes of this system of accounts.

ITEMS

(See account 378 for items.)

380 Services.

A. This account shall include the cost installed of service pipes and accessories leading to the customers' premises.

B. A complete service begins with the connection on the main and extends to but does not include the connection with the customer's meter. A stub service extends from the main to the property line, or the curb stop.

C. Services which have been used but have become inactive shall be retired from utility plant in service immediately if there is no prospect for reuse, and, in any event, shall be retired by the end of the second year following that during which the service became inactive unless reused in the interim.

ITEMS

1. Curb valves and curb boxes.
2. Excavation, including shoring, bracing, bridging, pumping, backfill, and disposal of excess excavated material.
3. Landscaping, including lawns, and shrubbery.
4. Municipal inspection.
5. Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks.
6. Permits.
7. Pipe and fittings, including saddle, T, or other fitting on street main.
8. Pipe coating.
9. Pipe laying.
10. Protection of street openings.
11. Service drips.
12. Service valves, at head of service, when installed or furnished by the utility.

NOTE: When a customer pays all or a part of the cost of the service and such cost is properly includible in this account, the amount borne or contributed by the customer shall be credited to account 271, Contributions in Aid of Construction.

381 Meters.

A. This account shall include the cost installed of meters or devices and appurtenances thereto, for use in measuring gas delivered to users, whether actually in service or held in reserve.

B. When a meter is permanently retired from service, the installed cost included herein shall be credited to this account.

C. The records of meters shall be so kept that the utility can furnish information as to the number of meters of each type and capacity in service and in reserve as well as the location of each meter.

ITEMS

1. Meters, including badging and initial testing.

Meter installations:

2. Cocks.
3. Labor.
4. Locks.
5. Meter bars.
6. Pipe and fittings.
7. Seals.
8. Shelves.
9. Swivels and bushings.
10. Transportation.

NOTE A: At the option of the utility, costs of meter installations may be accounted for separately from the cost of meters in accordance with the provisions of account 382, Meter Installations. The practice of the utility, however, shall be consistent from year to year and throughout the utility's system.

NOTE B: The cost of removing and resetting meters shall be charged to account 878, Meter and House Regulator Expenses.

382 Meter installations.

A. This account shall include the cost of labor and materials used, and expenses incurred in connection with the original installation of customer meters.

B. When a meter installation is permanently retired from service, the cost thereof shall be credited to this account.

ITEMS

1. Cocks.
2. Locks.
3. Labor.
4. Meter bars.
5. Pipe and fittings.

6. Seals.
7. Shelves.
8. Swivels and bushings.
9. Transportation.

NOTE: At the option of the utility, meter installations may be accounted for as part of the cost installed of meters, in accordance with the provisions of account 381, Meters. The practice of the utility, however, shall be consistent from year to year and throughout the utility's system.

383 House regulators.

A. This account shall include the cost installed of house regulators whether actually in service or held in reserve.

B. When a house regulator is permanently retired from service, the installed cost thereof shall be credited to this account.

ITEMS

1. House regulator.
House regulator installations:
2. Cocks.
3. Labor.
4. Locks.
5. Pipe and fittings.
6. Regulator vents.
7. Swivels and bushings.
8. Transportation.

NOTE: At the option of the utility, costs of house regulator installations may be accounted for separately from the cost of house regulators in accordance with the provisions of account 384, House Regulator Installations. The practice of the utility, however, shall be consistent from year to year and throughout the utility's system.

384 House regulator installations.

A. This account shall include the cost of labor and materials used and expenses incurred in connection with the original installation of house regulators.

B. When a house regulator installation is permanently retired from service, the cost thereof shall be credited to this account.

ITEMS

1. Cocks.
2. Labor.
3. Locks.
4. Pipe and fittings.
5. Regulator vents.
6. Swivels and bushings.
7. Transportation.

NOTE. At the option of the utility, house regulator installations may be accounted for as part of the cost installed of house regulators in accordance with the provisions of account 383, House Regulators. The practice, however, shall be consistent from year to year and throughout the utility's system.

385 Industrial measuring and regulating station equipment.

This account shall include the cost of special and expensive installations of measuring and regulating station equipment, located on the distribution system, serving large industrial customers.

ITEMS

(See account 378 for items.)

NOTE. A: Do not include in this account measuring and regulating station equipment serving main line industrial customers. (See account 369).

NOTE. B: By-passes outside of governor pits are includible in account 376, Mains.

386 Other property on customers' premises.

This account shall include the cost, including first setting and connecting, of equipment owned by the utility installed on customer premises which is not includible in other accounts.

387 Other equipment.

This account shall include the cost installed of all other distribution system equipment not provided for in the foregoing accounts, including street lighting equipment.

ITEMS

1. Carbon monoxide tester and indicator.
2. Explosimeters.
3. Fire extinguisher.
4. Gas masks.
5. Lockers.
6. Portable pump.
7. Recording gauges.
8. Street lighting equipment.
9. Test meters.
10. Watchmen's clocks.

6. GENERAL PLANT

389 Land and land rights.

This account shall include the cost of land and land rights used for utility purposes, the cost of which is not properly includible in other land and land rights accounts. (See gas plant instruction 7.)

390 Structures and improvements.

This account shall include the cost in place of structures and improvements used for utility purposes, the cost of which is not properly includible in other structures and improvements accounts. (See gas plant instruction 8.)

391 Office furniture and equipment.

This account shall include the cost of office furniture and equipment owned by the utility and devoted to utility service, and not permanently attached to buildings, except the cost of such furniture and equipment which the utility elects to assign to other plant accounts on a functional basis.

ITEMS

1. Book cases and shelves.
2. Desks, chairs, and desk equipment.
3. Drafting-room equipment.
4. Filing, storage and other cabinets.
5. Floor covering.
6. Library and library equipment.
7. Mechanical office equipment such as accounting machines, typewriters, etc.
8. Safes.
9. Tables.

392 Transportation equipment.

This account shall include the cost of transportation vehicles used for utility purposes.

ITEMS

1. Airplanes.
2. Automobiles.
3. Bicycles.
4. Electrical vehicles.
5. Motor trucks.
6. Motorcyles.
7. Repair cars or trucks.
8. Tractors and trailers.
9. Other transportation vehicles.

393 Stores equipment.

This account shall include the cost of equipment used for the receiving, shipping, handling and storage of materials and supplies.

ITEMS

1. Chain falls.
2. Counters.
3. Cranes (portable).
4. Elevating and stacking equipment (portable).
5. Hoists.
6. Lockers.
7. Scales.
8. Shelving.
9. Storage bins.
10. Trucks, hand and power driven.
11. Wheelbarrows.

394 Tools, shop and garage equipment.

This account shall include the cost of tools, implements, and equipment used in construction, repair work, general shops and garages and not specifically provided for or includible in other accounts.

ITEMS

1. Air compressors.
2. Anvils.
3. Automobile repair shop equipment.
4. Battery charging equipment.
5. Belts, shafts and countershafts.
6. Boilers.
7. Cable pulling equipment.
8. Concrete mixers.
9. Derricks.
10. Drill presses.
11. Electric equipment.
12. Engines.
13. Forges.
14. Foundations and settings specially constructed for equipment in this account and not expected to outlast the equipment for which provided.
15. Furnaces.
16. Gas producers.
17. Gasoline pumps, oil pumps, and storage tanks.
18. Greasing tools and equipment.
19. Hoists.
20. Ladders.
21. Lathes.
22. Machine tools.
23. Motor driven tools.
24. Motors.
25. Pipe threading and cutting tools.
26. Pneumatic tools.
27. Pumps.
28. Riveters.
29. Smithing equipment.
30. Tool racks.
31. Vises.
32. Welding apparatus.
33. Work benches.

395 Laboratory equipment.

This account shall include the cost installed of laboratory equipment used for general laboratory purposes and not specially provided for or includible in other departmental or functional plant accounts.

ITEMS

1. Balances and scales.
2. Barometers.
3. Calorimeters-bomb, flow, recording types, etc.
4. Electric furnaces.
5. Gas burning equipment.
6. Gauges.
7. Glassware, beakers, burettes, etc.
8. Humidity testing apparatus.
9. Laboratory hoods.
10. Laboratory tables and cabinets.
11. Muffles.
12. Oil analysis apparatus.
13. Piping.
14. Specific gravity apparatus.
15. Standard bottles for meter prover testing.
16. Stills.
17. Sulphur and ammonia apparatus.
18. Tar analysis apparatus.
19. Thermometers—indicating and recording.
20. Any other item of equipment for testing gas, fuel, flue gas, water, residuals, etc.

396 Power operated equipment.

This account shall include the cost of power operated equipment used in construction or repair work exclusive of equipment includible in other accounts. Include, also, the tools and accessories acquired for use with such equipment and the vehicle on which such equipment is mounted.

ITEMS

1. Air compressors, including driving unit and vehicle.
2. Back filling machines.
3. Boring machines.
4. Bulldozers.
5. Cranes and hoists.
6. Diggers.
7. Engines.
8. Pile drivers.
9. Pipe cleaning machines.
10. Pipe coating or wrapping machines.
11. Tractors—Crawler type.
12. Trenchers.
13. Other power operated equipment.

NOTE: It is intended that this account include only such large units as are generally self-propelled or mounted on movable equipment.

397 Communication equipment.

This account shall include the cost installed of telephone, telegraph and wireless equipment for general use in connection with the utility's gas operations. (See account 370 for communication equipment used wholly or predominantly in connection with operation and maintenance of the transmission system.)

ITEMS

1. Carrier terminal equipment including repeaters, power supply equipment, transmitting and receiving sets.
2. Microwave equipment, including power supply equipment, transmitters, amplifiers, paraboloids, towers, reflectors, receiving equipment, etc.
3. Radio equipment, fixed and mobile, including antenna, power equipment, transmitters and receivers, and portable receiver-transmitter units.
4. Telephone equipment including switchboards, power and testing equipment, conductors, pole lines, etc.

398 Miscellaneous equipment.

This account shall include the cost of equipment, apparatus, etc., used and useful in gas operations, which is not includible in any other account.

ITEMS

1. Hospital and infirmary equipment.
2. Kitchen equipment.
3. Operator's cottage furnishings.
4. Radios.
5. Recreation equipment.
6. Restaurant equipment.
7. Soda fountains.
8. Other miscellaneous equipment.

NOTE: Miscellaneous equipment of the nature indicated above wherever practicable shall be assigned to the utility plant accounts on a functional basis.

399 Other tangible property.

This account shall include the cost of tangible utility plant not provided for elsewhere.

Income Accounts

1. UTILITY OPERATING INCOME

400 Operating revenues.

Operating expenses.
401 Operation expense.
402 Maintenance expense.
403 Depreciation expense.
404.1 Amortization and depletion of producing natural gas land and land rights.
404.2 Amortization of underground storage land and land rights.
404.3 Amortization of other limited-term gas plant.
405 Amortization of other gas plant.
406 Amortization of gas plant acquisition adjustments.
407.1 Amortization of property losses.
407.2 Amortization of conversion expenses.
408 Taxes other than income taxes.
409 Income taxes.
410 Provision for deferred income taxes.
411 Income taxes deferred in prior years—Cr.

TOTAL OPERATING EXPENSES

Operating income.
412–413 Income from gas plant leased to others.
414 Other utility operating income.

TOTAL OPERATING INCOME

2. OTHER INCOME

415–416 Income from merchandising, jobbing, and contract work.
417 Income from nonutility operations.
418 Nonoperating rental income.
419 Interest and dividend income.
421 Miscellaneous nonoperating income.

TOTAL OTHER INCOME

TOTAL INCOME

3. MISCELLANEOUS INCOME DEDUCTIONS

425 Miscellaneous amortization.
426 Other income deductions.

Total income deductions.

INCOME BEFORE INTEREST CHARGES

4. INTEREST CHARGES

427 Interest on long-term debt.
428 Amortization of debt discount and expense.
429 Amortization of premium on debt—Cr.
430 Interest on debt to associated companies.
431 Other interest expense.
432 Interest charged to construction—Cr.

Total interest charges.

NET INCOME

5. EARNED SURPLUS

216 Unappropriated earned surplus (at beginning of period).
433 Balance transferred from income.
434 Miscellaneous credits to surplus.
435 Miscellaneous debits to surplus.
436 Appropriations of surplus.

NET ADDITION TO EARNED SURPLUS

437 Dividends declared—Preferred stock.
438 Dividends declared—Common stock.
216 Unappropriated earned surplus (at end of period).

Income Accounts

1. UTILITY OPERATING INCOME

400 Operating revenues.

There shall be shown under this caption the total amount included in the gas operating revenue accounts provided herein.

401 Operation expense.

There shall be shown under this caption the total amount included in the gas operation expense accounts provided herein. (See note to operating expense instruction 3.)

402 Maintenance expense.

There shall be shown under this caption the total amount included in the gas maintenance expense accounts provided herein.

403 Depreciation expense.

A. This account shall include the amount of depreciation expense for all classes of depreciable gas plant in service except such depreciation expense as is chargeable to clearing accounts or to account 416, Costs and Expenses of Merchandising, Jobbing and Contract Work.

B. The utility shall keep such records of property and property retirements as will reflect the service life of property which has been retired and aid in estimating probable service life by mortality, turnover, or other appropriate methods; and also such records as will reflect the percentage of salvage and cost of removal for property retired from each account, or subdivision thereof, for depreciable gas plant.

NOTE A: Depreciation expense applicable to property included in account 104, Gas Plant Leased to Others, shall be charged to account 413, Expenses of Gas Plant Leased to Others.

NOTE B: Depreciation expense applicable to transportation equipment, shop equipment, tools, work equipment, power operated equipment and other general equipment may be charged to clearing accounts as necessary in order to obtain a proper distribution of expenses between construction and operation.

404.1 Amortization and depletion of producing natural gas land and land rights.

A. This account shall include charges for amortization and depletion of producing natural gas land and land rights. (See account 111.1, Accumulated Provision for Amortization and Depletion of Producing Natural Gas Land and Land Rights.)

B. The charges to this account shall be made in such manner as to distribute the cost of producing natural gas land and land rights over the period of their benefit to the utility, based upon the exhaustion of the natural gas deposits recoverable from such land and land rights.

404.2 Amortization of underground storage land and land rights.

A. This account shall include charges for amortization of land and land rights of underground storage projects for natural gas. (See account 111.2, Accumulated Provision for Amortization of Underground Storage Land and Land Rights.)

B. The charges to this account shall be made in such manner as to distribute the cost of amortizable land and land rights over the period of their benefit to the utility, and with respect to any land or land rights which include native gas in the storage reservoir, such amounts shall be amortized or depleted on the basis of production of such native gas after the volume of stored gas has been withdrawn from the reservoir.

404.3 Amortization of other limited-term gas plant.

This account shall include amortization charges applicable to amounts included in the gas plant accounts for limited-term franchises, licenses, patent rights, limited-term interests in land, and expenditures on leased property where the service life of the improvements is terminable by action of the lease. The charges to this account shall be such as to distribute the book cost of each investment as evenly as may be over the period of its benefit to the utility. (See account 111.3, Accumulated Provision for Amortization of Other Gas Plant in Service.)

405 Amortization of other gas plant.

A. When authorized by the Commission, this account shall include charges for amortization of intangible or other gas plant in service which does not have a definite or terminable life and which is not subject to charges for depreciation expense.

B. This account shall be supported in such detail as to show the amortization applicable to each investment being amortized, together with the book cost of the investment and the period over which it is being written off.

406 Amortization of gas plant acquisition adjustments.

This account shall be debited or credited, as the case may be, with amounts includible in operating expenses, pursuant to approval or order of the Commission, for the purpose of providing for the extinguishment of the amount in account 114, Gas Plant Acquisition Adjustments.

407.1 Amortization of property losses.

This account shall be charged with amounts credited to account 182, Extraordinary Property Losses, when the Commission has authorized the amount in the latter account to be amortized by charges to gas operating expenses.

407.2 Amortization of conversion expenses.

This account shall be charged with amortization of amounts authorized by the Commission to be included in Account 186, Miscellaneous Deferred Debits, for expenses incurred in the conversion of distribution plant from manufactured gas service to natural gas service.

408 Taxes other than income taxes.

A. This account shall include the amount of ad valorem, gross revenue or gross receipts taxes, state unemployment insurance, franchise taxes, federal excise taxes, social security taxes, and all other taxes assessed by federal, state, county, municipal, or other local governmental authorities, which are properly chargeable to gas operations, except income taxes.

B. This account shall be charged in each accounting period with the amount of taxes which is applicable thereto, with concurrent credits to account 236, Taxes Accrued, or account 165, Prepayments, as appropriate. When it is not possible to determine the exact amount of taxes, the amount shall be estimated and adjustments made in current accruals as the actual tax levies become known.

C. The charges to this account shall be made or supported so as to show the amount of each tax and the basis upon which each charge is made. In the case of a utility rendering more than one utility service, taxes of the kind includible in this account shall be assigned directly to the utility department the operation of which gave rise to the tax in so far as practicable. Where the tax is not attributable to a specific utility department, it shall be distributed among the utility departments or nonutility operations on an equitable basis.

NOTE A: Taxes applicable to nonutility property or investments shall be charged to the account in which the income from the property or investments is included.

NOTE B: Special assessments for street and similar improvements shall be included in the appropriate utility plant or nonutility property account.

NOTE C: Taxes specifically applicable to construction shall be included in the cost of construction.

NOTE D: Taxes assumed by the utility on property leased from others for use in utility operations shall be charged to the appropriate rent expense or clearing account.

NOTE E: Gasoline and other sales taxes shall be charged as far as practicable to the same account as the materials on which the tax is levied.

NOTE F: Social Security and other forms of so-called pay roll taxes shall be distributed to utility departments and to nonutility functions on a basis related to pay roll. Amounts applicable to construction shall be charged to the appropriate plant account.

409 Income taxes.

A. This account shall include the amount of state and federal taxes on income properly accruable during the period covered by the income statement to meet the actual liability for such taxes. Concurrent credits for the tax accruals shall be made to account 236, Taxes Accrued, and as the exact amount of taxes becomes known, the current tax accruals shall be adjusted accordingly so that this account, as nearly as can be ascertained, shall include the actual taxes payable which are chargeable to utility operations.

B. The accruals for income taxes shall be apportioned among utility departments and nonutility operations so that, as nearly as practicable, each tax shall be included in the expenses of the utility department or nonutility operation, the income from which gave rise to the tax.

NOTE A: Taxes assumed by the utility on interest shall be charged to account 431, Other Interest Expense.

NOTE B: Income taxes on income from utility plant leased to others shall be charged to account 413, Expenses of Gas Plant Leased to Others.

NOTE C: Where statutes or regulatory practices require that the profits or losses of merchandising, jobbing, and contract work shall not be considered in arriving at rates to be charged for utility service, income taxes on income from merchandising, jobbing and contract work shall be charged to account 416, Costs and Expenses of Merchandising, Jobbing and Contract Work.

NOTE D: Income taxes on nonutility income shall be charged to the account in which the income is included. If the amount of nonutility income is relatively small, the allocation of income taxes thereto may be made annually.

NOTE E: Interest on tax refunds or deficiencies shall not be included in this account but in account 419, Interest and Dividend Income, or account 431, Other Interest Expense, as appropriate.

410 Provision for deferred income taxes.

This account shall be debited, and Accumulated Deferred Income Taxes, shall be credited with an amount equal to any deferral of taxes on income as provided by the texts of accounts 281, 282, and 283. There shall not be netted against entries required to be made to this account any credit amounts appropriately includible in account 411, Income Taxes Deferred in Prior Years-Credit.

411 Income taxes deferred in prior years—Credit.

This account shall be credited and Accumulated Deferred Income Taxes, debited with an amount equal to the portion of taxes on income payable for the year that is attributable to a deferral of taxes on income in a prior year, in accordance with the plan of deferred tax accounting provided by the texts of accounts 281, 282, and 283. There shall not be netted against entries required to be made to this account any debit amounts appropriately includible in account 410, Provision for Deferred Income Taxes.

412 Revenues from gas plant leased to others.

413 Expenses of gas plant leased to others.

A. These accounts shall include, respectively, revenues from gas property constituting a distinct operating unit or system leased by the utility to others, and which property is properly includible in account 104, Gas Plant Leased to Others, and the expenses attributable to such property.

B. The detail of expenses shall be kept or supported so as to show separately the following:

Operation.
Maintenance.
Rents.
Depreciation.
Amortization.
Taxes other than income taxes.
Income taxes.

414 Other utility operating income.

A. This account shall include the revenues received and expenses incurred in connection with the operations of utility plant, the book cost of which is included in account 118, Other Utility Plant.

B. The expenses shall include every element of cost incurred in such operations, including depreciation, rents, taxes, and insurance.

2. OTHER INCOME

415 Revenues from merchandising, jobbing and contract work.

416 Costs and expenses of merchandising, jobbing and contract work.

A. These accounts shall include, respectively, all revenues derived from the sale of merchandise and jobbing or contract work, including any profit or commission accruing to the utility on jobbing

work performed by it as agent under contracts whereby it does jobbing work for another for a stipulated profit or commission, and all expenses incurred in such activities.

B. Records in support of these accounts shall be so kept as to permit ready summarization of revenues, costs and expenses by such major items as are feasible.

NOTE: Revenues and expenses of merchandising, jobbing and contract work shall be reported in these accounts, if a State regulatory body having jurisdiction over the utility requires the net income therefrom to be reported as other income; but the revenues and expenses shall be reported in accounts 914, Revenues from Merchandising, Jobbing and Contract Work, and 915, Costs and Expenses of Merchandising, Jobbing and Contract Work, if such regulatory body requires the net income to be reported as an operating income or expense item. In the absence of a requirement by a State regulatory body, the utility may use these accounts or accounts 914 and 915 at its option, in which case the practice of the utility must be consistent.

ITEMS

Account 415:

1. Revenues from sale of merchandise and from jobbing and contract work.
2. Discounts and allowances made in settlement of bills for merchandise and jobbing work.

Account 416:

Labor:

1. Canvassing and demonstrating appliances in homes and other places for the purpose of selling appliances.
2. Demonstrating and selling activities in sales rooms.
3. Installing appliances on customer premises where such work is done only for purchasers of appliances from the utility.
4. Installing piping or other property work on a jobbing or contract basis.
5. Preparing advertising materials for appliance sales purposes.
6. Receiving and handling customer orders for merchandise or for jobbing services.
7. Cleaning and tidying sales rooms.
8. Maintaining display counters and other equipment used in merchandising.
9. Arranging merchandise in sales rooms and decorating display windows.
10. Reconditioning repossessed appliances.
11. Bookkeeping and other clerical work in connection with merchandise and jobbing activities.
12. Supervising merchandise and jobbing operations.

Materials and expenses:

13. Advertising in newspapers, periodicals, radio, television, etc.
14. Cost of merchandise sold and of materials used in jobbing work.
15. Stores expenses on merchandise and jobbing stocks.
16. Fees and expenses of advertising and commercial artists' agencies.
17. Printing booklets, dodgers, and other advertising data.
18. Premiums given as inducement to buy appliances.
19. Light, heat, and power.
20. Depreciation on equipment used primarily for merchandise and jobbing operations.
21. Rent of sales rooms or of equipment.
22. Transportation expense in delivery and pick-up of appliances by utility's facilities or by others.
23. Stationery and office supplies and expenses.
24. Taxes directly assignable to merchandise and jobbing operations including income taxes on net income derived therefrom.
25. Losses from uncollectible merchandise and jobbing accounts.

417 Income from nonutility operations.

A. This account shall include revenues and expenses applicable to operations which are nonutility in character but nevertheless constitute a distinct operating activity of the enterprise as a whole, such as the operation of an ice department where applicable statutes do not define such operation as a utility, or the operation of a servicing organization for furnishing supervision, management, engineering, and similar services to others.

B. The expenses shall include all elements of costs incurred in such operations, and the accounts shall be maintained so as to permit ready summarization as follows:

Operation.
Maintenance.
Rents.
Depreciation.
Amortization.
Taxes other than income taxes.
Income taxes.

418 Nonoperating rental income.

A. This account shall include all rent revenues and related expenses of land, buildings, or other property included in account 121, Nonutility Property, which is not used in operations covered by account 417.

B. The expenses shall include all elements of costs incurred in the ownership and rental of property and the accounts shall be maintained so as to permit ready summarization as follows:

Operation.
Maintenance.
Rents.
Depreciation.
Amortization.
Taxes other than income taxes.
Income taxes.

419 Interest and dividend income.

A. This account shall include interest revenues on securities, loans, notes, advances, special deposits, tax refunds and all other interest-bearing assets, and dividends on stocks of other companies, whether the securities on which the interest and dividends are received are carried as investments or included in sinking or other special fund accounts.

B. If any interest or dividends are required to be retained in a special fund and the fund is represented by a reserve, the amount of such accretion to the fund shall concurrently be credited to the appropriate reserve account and charged to account 436, Appropriations of Surplus.

C. This account may include the pro rata amount necessary to extinguish (during the interval between the date of acquisition and the date of maturity) the difference between the cost to the utility and the face value of interest-bearing securities. Amounts thus credited or charged shall be concurrently included in the accounts in which the securities are carried.

D. Where significant in amount, expenses, including operating taxes and income taxes, applicable to security investments and to interest and dividend revenues thereon shall be charged hereto.

NOTE: Interest accrued, the payment of which is not reasonably assured, dividends receivable which have not been declared or guaranteed, and interest or dividends upon reacquired securities issued or assumed by the utility shall not be credited to this account.

421 Miscellaneous nonoperating income.

This account shall include all revenue and expense items properly includible in the income account and not provided for elsewhere.

ITEMS

1. Profit on sale of timber. (See gas plant instruction 7C.)
2. Profits from operations of others realized by the utility under contracts.

3. MISCELLANEOUS INCOME DEDUCTIONS

425 Miscellaneous amortization.

This account shall include amortization charges not includible in other accounts which are properly deductible in determining the income of the utility before interest charges. Charges includible herein, if significant in amount, must be in accordance with an orderly and systematic amortization program. Similar charges made irregularly without a definite program, or which are dependent upon the amount of net income shall be charged to account 435, Miscellaneous Debits to Surplus.

ITEMS

1. Amortization of utility plant acquisition adjustments, or of intangibles included in utility plant in service when not authorized to be included in utility operating expenses by the Commission.
2. Amortization of amounts in account 182, Extraordinary Property Losses, when not authorized to be included in utility operating expenses by the Commission.
3. Amortization of capital stock discount or expenses when in accordance with a systematic amortization program.

426 Other income deductions.

This account shall include miscellaneous expense items which are nonoperating in nature but which are properly deductible before determining total income before interest charges.

ITEMS

1. Donations for charitable, social or community welfare purposes.
2. Life insurance of officers and employees where utility is beneficiary (net premiums less increase in cash surrender value of policies).
3. Penalties or fines for violation of statutes pertaining to regulation.

NOTE: The classification of expenses as nonoperating and their inclusion in this account is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.

4. INTEREST CHARGES

427 Interest on long-term debt.

A. This account shall include the amount of interest on outstanding long-term debt issued or assumed by the utility, the liability for which is included in account 221, Bonds, or account 224, Other Long-Term Debt.

B. This account shall be so kept or supported as to show the interest accruals on each class and series of long-term debt.

NOTE: This account shall not include interest on nominally issued or nominally outstanding long-term debt, including securities assumed.

428 Amortization of debt discount and expense.

A. This account shall include the amortization of unamortized debt discount and expense on outstanding long-term debt. Amounts charged to this account shall be credited concurrently to account 181, Unamortized Debt Discount and Expense.

B. This account shall be so kept or supported as to show the debt discount and expense on each class and series of long-term debt.

429 Amortization of premium on debt—Credit.

A. This account shall include the amortization of unamortized net premium on outstanding long-term debt. Amounts credited to this account shall be charged concurrently to account 251, Unamortized Premium on Debt.

B. This account shall be so kept or supported as to show the premium on each class and series of long-term debt.

430 Interest on debt to associated companies.

A. This account shall include interest accrued on amounts included in account 223, Advances from Associated Companies, and on all other obligations to associated companies.

B. The records supporting the entries to this account shall be so kept as to show to whom the interest is to be paid, the period covered by the accrual, the rate of interest and the principal amount of the advances or other obligations on which the interest is accrued.

431 Other interest expense.

This account shall include all interest charges not provided for elsewhere.

ITEMS

1. Interest on notes payable on demand or maturing one year or less from date and on open accounts, except notes and accounts with associated companies.
2. Interest on customers' deposits.
3. Interest on claims and judgments, tax assessments, and assessments for public improvements past due.
4. Income and other taxes levied upon bondholders of utility and assumed by it.

432 Interest charged to construction—Credit.

This account shall include concurrent credits for interest charged to construction based upon the net cost for the period of construction of borrowed funds used for construction purposes and a reasonable rate upon other funds when so used. (See gas plant instruction 3 (17).)

5. EARNED SURPLUS

433 Balance transferred from income.

This account shall include the net credit or debit transferred from income for the year.

434 Miscellaneous credits to surplus.

This account shall include credits affecting earned surplus not provided for elsewhere. If an amount otherwise required by the uniform system of accounts to be credited to this account is not significant with respect to net income determination for the year, it may be credited to the appropriate nonoperating income account. (See also general instruction 7, Delayed Items). All items included in this account shall be sufficiently described in the entries relating thereto as to permit ready analysis.

ITEMS

1. Delayed credits as provided in general instruction 7.
2. Profit on reacquisition and resale or retirement of utility's debt securities.
3. Profit on sale of property or investments.

435 Miscellaneous debits to surplus.

This account shall include amounts chargeable to earned surplus but not provided for elsewhere. If an amount otherwise required by the uniform system of accounts to be charged to this account is not significant with respect to net income determination for the year, it may be charged to the appropriate nonoperating income deduction account. (See also general instruction 7, Delayed Items.) All items included in this account shall be sufficiently described in the entries relating thereto as to permit ready analysis.

ITEMS

1. Decline in value of investments.
2. Delayed debits as provided in general instruction 7.
3. Loss on reacquisition and resale or retirement of utility's debt securities.
4. Provision for past accrued depreciation not provided for.
5. Long-term debt discount or expense written off.
6. Loss on sale of property or investments.
7. Write off of utility plant acquisition adjustments or of intangibles when not done under an orderly systematic program indicating the propriety of inclusion of the annual charges in account 425, Miscellaneous Amortization.
8. Preliminary survey and investigation expenses on abandoned projects.
9. Income taxes, both State and Federal, occasioned by items included in account 434, Miscellaneous Credits to Surplus.
10. Charges from retirement or resale of reacquired capital stock.

436 Appropriations of surplus.

This account shall include appropriations of earned surplus for purposes not provided for elsewhere.

ITEMS

1. Appropriations of income required under terms of mortgages, orders of courts, contracts or other agreements.
2. Appropriations of income required by action of regulatory authorities.
3. Miscellaneous appropriations of income made at option of utility for specified purposes.

437 Dividends declared—Preferred stock.

A. This account shall include amounts declared payable out of earned surplus as dividends on actually outstanding preferred or prior lien capital stock issued by the utility.

B. Dividends shall be segregated for each class and series of preferred stock as to those payable in cash, stock and other forms. If not payable in cash, the medium of payment shall be described with sufficient particularity to identify it.

438 Dividends declared—Common stock.

A. This account shall include amounts declared payable out of earned surplus as dividends on actually outstanding common capital stock issued by the utility.

B. Dividends shall be segregated for each class of common stock as to those payable in cash, stock and other forms. If not payable in cash, the medium of payment shall be described with sufficient particularity to identify it.

Operating Revenue Accounts

1. SALES OF GAS

480 Residential sales.
481 Commercial and industrial sales.
482 Other sales to public authorities.
483 Sales for resale.
484 Interdepartmental sales.

2. OTHER OPERATING REVENUES

487 Forfeited discounts.
488 Miscellaneous service revenues.
489 Revenues from transportation of gas of others.
490 Sales of products extracted from natural gas.
491 Revenues from natural gas processed by others.
492 Incidental gasoline and oil sales.
493 Rent from gas property.
494 Interdepartmental rents.
495 Other gas revenues.

Operating Revenue Accounts

1. SALES OF GAS

480 Residential sales.

A. This account shall include the net billing for gas supplied for residential or domestic purposes.

B. Records shall be maintained so that the quantity of gas sold and the revenues received under each rate schedule shall be readily available.

NOTE: When gas supplied through a single meter is used for both residential and commercial purposes, the total revenue shall be included in this account or account 481, Commercial and Industrial Sales, according to the rate schedule which is applied. If the same rate schedules are applicable to both residential and commercial service, classification shall be according to principal use.

481 Commercial and industrial sales.

A. This account shall include the net billing for gas supplied to commercial and industrial customers.

B. Records shall be maintained so that the quantity of gas sold and revenue received under each rate schedule shall be readily available.

C. Records shall be maintained so as to show separately the revenues from commercial and industrial customers, as follows:

Large commercial and industrial sales (wherein shall be included the revenues from customers which use large volumes of gas, generally in excess of 200,000 Mcf per year or approximately 800 Mcf per day of normal requirements. Reasonable deviations are permissible in order that transfers of customers between the large

and small classifications may be minimized).

Small commercial and industrial sales (wherein shall be included the revenues from customers which use volumes of gas generally less than 200,000 Mcf per year or less than approximately 800 Mcf per day of normal requirements).

NOTE: When gas supplied through a single meter is used for both commercial and residential purposes, the total revenue shall be included in this account or in account 480, Residential Sales, according to the rate schedule which is applied. If the same rate schedules are applicable to both residential and commercial service, classification shall be according to principal use.

482 Other sales to public authorities.

A. This account shall include the net billing for gas supplied to municipalities or divisions or agencies of Federal or State Governments, under special contracts or agreements or service classifications, applicable only to public authorities, for general governmental and institutional purposes, except any revenues under rate schedules the revenues from which are includible in account 481 or 483, and except any revenues from gas used for purposes such as powerplant fuel for publicly owned electric systems, manufacturing processes of arsenals, etc., and other major uses of gas which appropriately may be classified in account 481, Commercial and Industrial Sales.

B. Records shall be maintained so that the quantity of gas sold and the revenue received from each customer and from each major special contract shall be readily available.

483 Sales for resale.

A. This account shall include the net billing for gas supplied to other gas utilities or to public authorities for resale purposes.

B. Records shall be maintained so that there shall be readily available the revenues for each customer under each revenue schedule and the billing determinants, as applicable, i.e., volume of gas (actual and billing), contract demand, maximum actual demand, billing demand, and Btu adjustment factor.

NOTE: Revenues from gas supplied to other public utilities for use by them and not for distribution, shall be included in account 481, Commercial and Industrial Sales, unless supplied under the same contract as and not readily separable from revenues includible in this account.

484 Interdepartmental sales.

A. This account shall include amounts charged by the gas department at tariff or other specified rates for gas supplied by it to other utility departments.

B. Records shall be maintained so that the quantity of gas supplied each other department and the charge made therefor shall be readily available.

2. OTHER OPERATING REVENUES

487 Forfeited discounts.

This account shall include the amount of discounts forfeited or additional charges imposed because of the failure of customers to pay gas bills on or before a specified date.

488 Miscellaneous service revenues.

This account shall include revenues from all miscellaneous services and charges billed to customers which are not specifically provided for in other accounts.

ITEMS

1. Fees for changing, connecting, or disconnecting service.
2. Profit on maintenance of appliances, piping, gas firing, and other utilization facilities, or other installations on customers' premises.
3. Net credit or debit (cost less net salvage and less payment from customers) on closing work orders for plant installed for temporary service of less than 1 year. (See account 185, Temporary Facilities.)
4. Recovery of expenses in connection with gas diversion cases. (Billing for the gas consumed shall be included in the appropriate gas revenue account.)
5. Services performed for other gas companies for testing and adjusting meters, changing charts, etc.

489 Revenues from transportation of gas of others.

This account shall include revenues from transporting gas for other companies through the production, transmission, and distribution lines, or compressor stations of the utility.

490 Sales of products extracted from natural gas.

A. This account shall include revenues from sales of gasoline, butane, propane, and other products extracted from natural gas, net of allowances, adjustments, and discounts, including sales of similar products purchased for resale.

B. Records shall be maintained so that the quantity, sales price, and revenues for each type of product sold to each purchaser shall be readily available.

491 Revenues from natural gas processed by others.

A. This account shall include revenues from royalties and permits, or other bases of settlement, for permission granted others to remove products from natural gas of the utility.

B. The records supporting this account shall be so maintained that full information concerning determination of the revenues will be readily available concerning each processor of gas of the utility, including as applicable (a) the Mcf of gas and approximate average Btu content thereof per cubic foot delivered to such other party for processing, (b) the Mcf of gas and approximate average Btu content thereof per cubic foot of gas received back from the processor, (c) the field, general production area, or other source of the gas processed, (d) Mcf of gas used for processing fuel, etc., which is chargeable to the utility, (e) total gallons of each product recovered by the processor and the utility's share thereof, (f) the revenues accruing to the utility, and (g) the basis of determination of the revenues accruing to the utility. Such records shall be maintained even though no revenues are derived from the processor.

492 Incidental gasoline and oil sales.

This account shall include revenues from natural gas gasoline produced direct from gas wells or recovered from drips or obtained in connection with purification or dehydration processes, and revenues from oil obtained from wells which produce oil and gas, the investment in which is carried in accounts 330, Producing Gas Wells—Well Construction, and 331, Producing Gas Wells—Well Equipment.

493 Rent from gas property.

A. This account shall include rents received for the use by others of land, buildings, and other property devoted to gas operations by the utility.

B. When property owned by the utility is operated jointly with others under a definite arrangement for sharing the actual expenses among the parties to the arrangement, any amount received by the utility for interest or return or in reimbursement of taxes or depreciation on the property shall be credited to this account.

NOTE: Do not include rent from property constituting an operating unit or system in this account. (See account 412, Revenues From Gas Plant Leased to Others.)

494 Interdepartmental rents.

This account shall include credits for rental charges made against other departments of the utility. In the case of property operated under a definite arrangement to allocate actual costs among the departments using the property, any allowance to the gas department for interest or return and depreciation and taxes shall be credited to this account.

495 Other gas revenues.

This account shall include revenues derived from gas operations not includible in any of the foregoing accounts.

ITEMS

1. Commission on sale or distribution of gas of others when sold under rates filed by such others.
2. Compensation for minor or incidental services provided for others such as customer billing, engineering, etc.
3. Profit or loss on sale of material and supplies not ordinarily purchased for resale and not handled through merchandising and jobbing accounts.
4. Sales of steam, water, or electricity, including sales or transfers to other departments of the utility.
5. Service charges for storing gas of others.
6. Miscellaneous royalties received.
7. Revenues from dehydration and other processing of gas of others, except products extraction where products are received as compensation and sales of such are includible in account 490, Sales of Products Extracted From Natural Gas, and except compression of gas of others, revenues from which are includible in account 489, Revenues from Transportation of Gas of Others.

Operation and Maintenance Expense Accounts

1. PRODUCTION EXPENSES

A. MANUFACTUERED GAS PRODUCTION EXPENSES

A 1. Steam Production

Operation

700 Operation supervision and engineering.
701 Operation labor.
702 Boiler fuel.
703 Miscellaneous steam expenses.
704 Steam transferred—Credit.

Maintenance

705 Operation supervision and engineering.
706 Maintenance of structures and improvements.
707 Maintenance of boiler plant equipment.
708 Maintenance of other steam production plant.

A 2. Manufactured Gas Production

Operation

710 Operation supervision and engineering.

PRODUCTION LABOR AND EXPENSES

711 Steam expenses.
712 Other power expenses.
713 Coke oven expenses.
714 Producer gas expenses.
715 Water gas generating expenses.
716 Oil gas generating expenses.
717 Liquefied petroleum gas expenses.
718 Other process production expenses.

GAS FUELS

719 Fuel under coke ovens.
720 Producer gas fuel.
721 Water gas generator fuel.
722 Fuel for oil gas.
723 Fuel for liquefied petroleum gas process.
724 Other gas fuels.

GAS RAW MATERIALS

725 Coal carbonized in coke ovens.
726 Oil for water gas.
727 Oil for oil gas.
728 Liquefied petroleum gas.
729 Raw materials for other gas processes.
730 Residuals expenses.
731 Residuals produced—Credit.
732 Purification expenses.
733 Gas mixing expenses.
734 Duplicate charges—Credit.
735 Miscellaneous production expenses.
736 Rents.

Maintenance

740 Maintenance supervision and engineering.
741 Maintenance of structures and improvements.
742 Maintenance of production equipment.

B. NATURAL GAS PRODUCTION EXPENSES

B 1. Natural Gas Production and Gathering

Operation

750 Operation supervision and engineering.
751 Production maps and records.
752 Gas wells expenses.
753 Field lines expenses.
754 Field compressor station expenses.
755 Field compressor station fuel and power.
756 Field measuring and regulating station expenses.
757 Purification expenses.
758 Gas well royalties.
759 Other expenses.
760 Rents.

Maintenance

761 Maintenance supervision and engineering.
762 Maintenance of structures and improvements.
763 Maintenance of producing gas wells.
764 Maintenance of field lines.
765 Maintenance of field compressor station equipment.
766 Maintenance of field measuring and regulating station equipment.
767 Maintenance of purification equipment.
768 Maintenance of drilling and cleaning equipment.
769 Maintenance of other equipment.

B 2. Products Extraction

Operation

770 Operation supervision and engineering.
771 Operation labor.
772 Gas shrinkage.
773 Fuel.
774 Power.
775 Materials.
776 Operation supplies and expenses.
777 Gas processed by others.
778 Royalties on products extracted.
779 Marketing expenses.
780 Products purchased for resale.
781 Variation in products inventory.
782 Extracted products used by the utility—Credit.
783 Rents.

Maintenance

784 Maintenance supervisior and engineering.
785 Maintenance of structures and improvements.
786 Maintenance of extraction and refining equipment.
787 Maintenance of pipe lines.
788 Maintenance of extracted products storage equipment.
789 Maintenance of compressor equipment.
790 Maintenance of gas measuring and regulating equipment.
791 Maintenance of other equipment.

C. EXPLORATION AND DEVELOPMENT EXPENSES

Operation

795 Delay rentals.
796 Nonproductive well drilling.
797 Abandoned leases.
798 Other exploration.

D. OTHER GAS SUPPLY EXPENSES

Operation

800 Natural gas well head purchases.
801 Natural gas field line purchases.
802 Natural gas gasoline plant outlet purchases.
803 Natural gas transmission line purchases.
804 Natural gas city gate purchases.
805 Other gas purchases.
806 Exchange gas.
807 Purchased gas expenses.
808 Gas withdrawn from underground storage—Credit.
809 Gas delivered to underground storage—Credit.
810 Gas used for compressor station fuel—Credit.
811 Gas used for products extraction—Credit.
812 Gas used for other utility operations—Credit.
813 Other gas supply expenses.

2. UNDERGROUND STORAGE EXPENSES

Operation

814 Operation supervision and engineering.
815 Maps and records.
816 Wells expenses.
817 Lines expenses.
818 Compressor station expenses.
819 Compressor station fuel and power.
820 Measuring and regulating station expenses.
821 Purification expenses.
822 Exploration and development.
823 Gas losses.
824 Other expenses.
825 Storage well royalties.
826 Rents.

Maintenance

830 Maintenance supervision and engineering.
831 Maintenance of structures and improvements.
832 Maintenance of wells.
833 Maintenance of lines.
834 Maintenance of compressor station equipment.
835 Maintenance of measuring and regulating station equipment.
836 Maintenance of purification equipment.
837 Maintenance of other equipment.

3. LOCAL STORAGE EXPENSES

Operation

840 Operation supervision and engineering.
841 Operation labor and expenses.
842 Rents.

Maintenance

843 Maintenance supervision and engineering.
844 Maintenance of structures and improvements.
845 Maintenance of gas holders.
846 Maintenance of other equipment.

4. TRANSMISSION EXPENSES

Operation

850 Operation supervision and engineering.
851 System control and load dispatching.
852 Communication system expenses.
853 Compressor station labor and expenses.
854 Gas for compressor station fuel.
855 Other fuel and power for compressor stations.
856 Mains expenses.
857 Measuring and regulating station expenses.
858 Transmission and compression of gas by others.
859 Other expenses.
860 Rents.

Maintenance

861 Maintenance supervision and engineering.
862 Maintenance of structures and improvements.
863 Maintenance of mains.
864 Maintenance of compressor station equipment.
865 Maintenance of measuring and regulating station equipment.
866 Maintenance of communication equipment.
867 Maintenance of other equipment.

5. DISTRIBUTION EXPENSES

Operation

870 Operation supervision and engineering.
871 Distribution load dispatching.
872 Compressor station labor and expenses.
873 Compressor station fuel and power.
874 Mains and services expenses.
875 Measuring and regulating station expenses—General.
876 Measuring and regulating station expenses—Industrial.
877 Measuring and regulating station expenses—City gate check stations.
878 Meter and house regulator expenses.
879 Customer installations expenses.
880 Other expenses.
881 Rents.

Maintenance

885 Maintenance supervision and engineering.
886 Maintenance of structures and improvements.
887 Maintenance of mains.
888 Maintenance of compressor station equipment.
889 Maintenance of measuring and regulating station equipment—General.
890 Maintenance of measuring and regulating station equipment—Industrial.
891 Maintenance of measuring and regulating station equipment—City gate check stations.
892 Maintenance of services.
893 Maintenance of meters and house regulators.
894 Maintenance of other equipment.

6. CUSTOMER ACCOUNTS EXPENSES

Operation

901 Supervision.
902 Meter reading expenses.
903 Customer records and collection expenses.
904 Uncollectible accounts.

905 Miscellaneous customer accounts expenses.

7. SALES EXPENSES

Operation

911 Supervision.
912 Demonstrating and selling expenses.
913 Advertising expenses.
914 Revenues from merchandising, jobbing, and contract work.
915 Costs and expenses of merchandising, jobbing, and contract work.
916 Miscellaneous sales expenses.

8. ADMINISTRATIVE AND GENERAL EXPENSES

Operation

920 Administrative and general salaries.
921 Office supplies and expenses.
922 Administrative expenses transferred—Credit.
923 Outside services employed.
924 Property insurance.
925 Injuries and damages.
926 Employee pensions and benefits.
927 Franchise requirements.
928 Regulatory commission expenses.
929 Duplicate charges—Credit.
930 Miscellaneous general expenses.
931 Rents.

Maintenance

932 Maintenance of general plant.

Operation and Maintenance Expense Accounts

1. PRODUCTION EXPENSES

A. MANUFACTURED GAS PRODUCTION

A. 1. Steam Production

Operation

700 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of steam production. (See operating expense instruction 1.)

701 Operation labor.

This account shall include the cost of labor used in boiler rooms and elsewhere about the premises engaged in the production of steam or assignable to the production of steam.

ITEMS

1. Blowing flues.
2. Cleaning boilers.
3. Handling coal, coke, and breeze from place of storage to boilers.
4. Janitorial, messenger, watchmen, and similar services.
5. Operating boilers.
6. Operating elevators.
7. Pulverizing coal.
8. Pumping tar from storage tank to boilers.
9. Removing ashes.
10. Testing steam meters, gauges, and other instruments.

702 Boiler fuel.

A. This account shall include the cost of coal, oil, gas, or other fuel used in the production of steam, including applicable amounts of fuel stock expenses. It shall also include the net cost of, or the net amount realized from, the disposal of ashes.

B. Records shall be maintained to show the quantity and cost of each type of fuel used. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

NOTE: The cost of fuel, except gas, and related fuel stock expenses, shall be charged initially to appropriate fuel accounts carried under accounts 151, Fuel Stock, and 152, Fuel Stock Expenses Undistributed, and cleared to this account on the basis of fuel used. See accounts 151 and 152 for basis of fuel costs and includible items of fuel stock expenses.

703 Miscellaneous steam expenses.

This account shall include the cost of materials used and expenses incurred in the production of steam, not includible in the foregoing accounts.

ITEMS

1. Boiler compounds.
2. Building service expenses.
3. Chemicals.
4. Communication service.
5. Lubricants.
6. Miscellaneous supplies.
7. Pumping supplies and expenses.
8. Purification supplies and expenses.
9. Tools, hand.
10. Waste.
11. Water purchased.

704 Steam transferred—Credit.

A. This account shall include such portion of the cost of producing steam as is charged to other gas operating expense accounts, or to others or to a coordinate department under a joint facility arrangement.

B. The records supporting the entries to this account shall be so kept that the utility can furnish readily an explanation of the bases of the credits to this account and the amounts charged to (1) other gas accounts, (2) other utility departments, and (3) outside parties under a joint facility arrangement. The records shall show, likewise, the amounts of steam production operation and steam production maintenance expenses, respectively, chargeable to each of the foregoing.

NOTE A: If the utility produces gas by a single process at only one plant, credits need not be made to this account for the cost of steam used in such gas production facility.

NOTE B: Where steam is produced by producer gas equipment or waste heat boilers, and such steam becomes part of the general plant supply, this account should be charged and the steam expense account in the appropriate functional group of accounts (coal gas production, water gas production, etc.) credited with the value of such steam. However, if the steam so produced is used in the same functional operation as that through which derived, such entries need not be made.

Maintenance

705 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of steam production facilities. Direct field supervision of specific jobs shall be charged to the appropriate maintenance accounts. (See operating expense instruction 1.)

706 Maintenance of structures and improvements.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures and improvements used in steam production operations, the book cost of which is includible in account 305, Structures and Improvements. (See operating expense instruction 2.)

707 Maintenance of boiler plant equipment.

This account shall indicate the cost of labor, materials used and expenses incurred in the maintenance of equipment used in steam production the book cost of which is includible in account 306, Boiler Plant Equipment. (See operating expense instruction 2.)

708 Maintenance of other steam production plant.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment used in steam production operations, the book cost of which is includible in account 314, Coal, Coke, and Ash Handling Equipment, or account 320, Other Equipment. (See operating expense instruction 2.)

A 2 Manufactured Gas Production

Operation

710 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of manufactured gas stations. Direct supervision of specific activities such as steam production and power operations, coke oven operations, water gas generation, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

711 Steam expenses.

A. This account shall include the cost of steam used in manufactured gas production. This includes the cost of steam transferred from the gas department's own supply and charges for steam transferred from others or from coordinate departments under joint facility arrangements. (See account 704, Steam Transferred—Credit.)

B. This account shall be so kept as to show separately for each source of steam the point of delivery, the quantity, the charges therefor, and the bases of such charges.

712 Other power expenses.

This account shall include the cost of electricity or other power, except steam, used in manufactured gas operation. This includes the cost of power purchased, the operation cost of electricity or other power such as compressed air produced by the gas department and charges from others or from coordinate departments for power produced under joint facility arrangements.

713 Coke oven expenses.

This account shall include the cost of labor used and expenses incurred in the operation of coke ovens for the production of coal gas, exclusive of the cost of fuel for the coke ovens and coal carbonized.

ITEMS

Labor:
1. Supervising.

2. Work of the following character in operation of coke ovens:
a. Charging and leveling coal.
b. Heating ovens to produce coke.
c. Pushing, transporting, quenching, and dumping coke on wharf.
d. Reclaiming coke spillage, removing, replacing, and luting oven doors and lids.
e. Handling and mixing luting mud.
f. Controlling oven heats and gas heating value with dilution gas.
g. Controlling flue temperature, stack drafts, collecting main pressure and the flow of flushing liquor and drains.
h. Operating, cleaning, and lubricating equipment not incidental to maintenance work, such as: charger, pusher, door operating and luting, mud mixing, gas reversal, transportation machinery and equipment, quenching pumps and tower, together with valves, instruments, meters, controls, gauges, and records connected with their operation.
1. Tar chasing (spooning tar in hot drains.)
j. Cleaning doors, jambs, and stand pipes.
3. Handling and transporting coal from storage or boats to battery bins.
4. Operating, cleaning and lubricating mechanical equipment, such as: hoist machines, conveyors and their housing, hammermills and breakers, mixing and battery bins, together with their control valves, instruments, etc.
5. Wetting and handling coke to the coke wharf or storage including cleaning and lubricating of equipment not incident to maintenance.
6. Pumping gas from ovens and maintaining the proper pressures on the collecting main and throughout the apparatus train, including cleaning and lubricating the oven gas exhausters and revivifying blowers, not incident to maintenance.
7. Removing and disposing of carbon, fines, sediment, and waste material.
8. Cleaning ovens and exhauster house, including janitor service in the employees' locker and wash room within this operating area.

Materials and expenses:
9. Packing, waste, lubricants, etc.
10. Small hand tools.
11. Building service, communication service, transportation.

714 Producer gas expenses.

This account shall include the cost of labor used and expenses incurred in making producer gas exclusive of the cost of fuel for producer gas.

ITEMS

Labor:
1. Supervising.
2. Work of the following character in connection with operation of producer gas sets (excepting the waste heat boiler and auxiliaries):
a. Inspecting, testing, clinkering, lighting and starting set.
b. Controlling fire and heats with fuel charges.
c. Barring, measuring, and rodding fires.
d. Observing pyrometers, pressures and CO_2 in stack gases.
e. Regulating input materials, such as coke, steam and air and making required flow rate and operating cycle changes.
f. Cleaning and removal of ash, dust, sediment and materials from the set and connections, seal pots, duct pockets, bootlegs, collectors and pumps.
g. Cleaning and reluting producer set doors.
h. Operating, cleaning and lubricating fuel charging lorries, grates, jackets and auxiliaries, ash removal apparatus, and associated instruments, meters, gauges, controls, etc.
3. Handling fuel from storage into bins with conveyors.
4. Operating, cleaning and lubricating auxiliary equipment, not incident to maintenance work, such as coolers, pumps, blowers, exhausters or boosters, fuel handling equipment, etc.
5. Removing and disposing of ashes, sediment and other waste material.
6. Cleaning the producer and booster houses including janitorial and similar services.

Materials and expenses:
7. Packing, waste, lubricants, etc.
8. Small hand tools.
9. Building service, communication service, transportation.

715 Water gas generating expenses.

This account shall include the cost of labor used and expenses incurred in the operation of water gas sets exclusive of the cost of fuel and oil for water gas production.

ITEMS

Labor:
1. Supervising.
2. Work of the following character in connection with the operation of water gas sets (excepting the waste heat boiler and auxiliries):
a. Inspecting, testing, clinkering, lighting and starting up.
b. Controlling fire and heats with fuel charges, barring and rodding fires, operating grates and jackets, taking stains, observing pyrometers, pressures, seal pot water flow and stack gases, regulating input materials such as coke, oil, natural gas, steam and air.
c. Making required flow rate and operating cycle changes.
d. Cleaning and removing ashes, carbon, and sediment from the set and connections, the wash box, seal pot, oil spray, duct pockets, bootlegs, and collectors, and cleaning and reluting producer set doors.
e. Operating, cleaning and lubricating fuel charging lorries, blowers, valves, automatic operators, and grates, together with their instruments, gauges, and controls, also the ash belts.
3. Operating, cleaning and lubricating auxiliary equipment, such as hydraulic pumps, circulating water pumps, oil pumps from storage to sets, steam accumulators and regulators and reducers on natural gas for reforming, exhausters, revivifying air blowers, and purifier exhausters.
4. Handling fuel from storage into bins with conveyors.
5. Removing and disposing of ashes, carbon, sediment, and other waste material.
6. Cleaning of generator and exhauster houses, including janitorial and similar services.

Materials and expenses:
7. Packing, waste, lubricants, etc.
8. Small hand tools.
9. Building service, communication service, transportation.

716 Oil gas generating expenses.

This account shall include the cost of labor used and expenses incurred in the operation of equipment for the production of oil gas exclusive of cost of the oil.

ITEMS

Labor:
1. Supervising.
2. Cleaning, firing and operating oil gas machines.
3. Handling oil from place of storage to oil gas sets.
4. Measuring oil.
5. Removing and disposing of carbon deposits, and other cleaning and incidental labor.

Materials and expenses:
6. Packing, waste, lubricants, etc.
7. Small hand tools.
8. Building service, communication service, transportation.

717 Liquefied petroleum gas expenses.

This account shall include the cost of labor used and expenses incurred in the operation of equipment used for vaporizing petroleum derivatives such as propane, butane or gasoline exclusive of cost of the materials vaporized or used for fuel in the vaporizing process.

ITEMS

Labor:
1. Supervising.
2. Operating, cleaning and lubricating liquid petroleum vaporizers and injectors.
3. Taking pressures and temperatures, and reading gauges on storage tanks.
4. Inspecting and testing equipment and setting and adjusting controls and regulators.
5. Watching pressure gauges, maintaining pressures and relieving excess pressures through lines.
6. Repressuring storage tanks.

Materials and expenses:
7. Packing, waste, lubricants, etc.
8. Small hand tools.
9. Building service, communication service, transportation.

718 Other process production expenses.

This account shall include the cost of labor used and expenses incurred in operating equipment used for the production of gas by processes not provided for in the foregoing accounts.

719 Fuel under coke ovens.

A. This account shall include the cost of gas, other than coke oven gas or producer gas, or other fuel used under coke ovens for making coal gas. Concurrent credits shall be made to account 734, Duplicate Charges—Credit, for gas made by the utility and so used, or account 812, Gas Used for Other Utility Operations—Credit, for other gas used under coke ovens.

B. Records shall be kept to show the quantity and cost of each type of fuel used and fuel handling expenses.

ITEMS

1. Gas made by the utility and used under coke ovens.
2. Natural and other purchased gas used under coke ovens.

720 Producer gas fuel.

A. This account shall include the cost of fuel used in making producer gas including applicable amounts of fuel stock expenses. It shall also include the net cost of, or the net amount realized from, the disposal of ashes.

B. Records shall be kept to show the quantity and the cost of each type of fuel used. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

NOTE: The cost of fuel and related fuel stock expenses shall be charged initially to the appropriate fuel account carried under accounts 151, Fuel Stock, and 152, Fuel Stock Expenses Undistributed, and cleared to this account on the basis of fuel used. See accounts 151 and 152 for basis of fuel costs and includible items of fuel stock expenses.

721 Water gas generator fuel.

A. This account shall include the cost of fuel used in making water gas, including applicable amounts of fuel stock expenses. It shall also include the net

cost of, or net proceeds from, the disposal of ashes.

B. Records shall be kept to show the quantity and cost of each type of fuel used. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

NOTE: The cost of fuel and related fuel stock expenses shall be charged initially to the appropriate fuel account carried under accounts 151, Fuel Stock, and 152, Fuel Stock Expenses Undistributed, and cleared to this account on the basis of fuel used. See accounts 151 and 152 for basis of fuel costs and includible items of fuel stock expenses.

722 Fuel for oil gas.

This account shall include the cost of fuel for the manufacture of gas by the oil gas process.

723 Fuel for liquefied petroleum gas process.

This account shall include the cost of fuel for vaporization of liquefied petroleum gas and for the compression of air in liquefied petroleum gas process.

724 Other gas fuels.

This account shall include the cost of fuel for the manufacture of gas by processes not provided for in the above fuel accounts.

725 Coal carbonized in coke ovens.

A. This account shall include the cost of coal used in coke ovens for making coal gas, including applicable amounts of fuel stock expenses.

B. Records shall be kept to show the type, quantity, and cost of coal used. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

NOTE: The cost of coal carbonized and related fuel stock expenses shall be charged initially to the appropriate account carried under accounts 151, Fuel Stock, and 152, Fuel Stock Expenses Undistributed, and cleared to this account on the basis of coal used. See accounts 151 and 152 for basis of costs and includible items of fuel stock expenses.

726 Oil for water gas.

A. This account shall include the cost of oil used in carbureting water gas, including applicable amounts of fuel stock expenses.

B. Records shall be kept to show the type, quantity, and cost of oil used. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

NOTE: The cost of oil and related fuel stock expenses shall be charged initially to the appropriate accounts carried under accounts 151, Fuel Stock, and 152, Fuel Stock Expenses Undistributed, and cleared to this account on the basis of oil used. See accounts 151 and 152 for basis of costs and includible items of fuel stock expenses.

727 Oil for oil gas.

A. This account shall include the cost of oil used in making oil gas, including applicable amounts of fuel stock expenses.

B. Records shall be kept to show the type, quantity, and cost of oil used. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

NOTE: The cost of oil and related fuel stock expenses shall be charged initially to the appropriate raw materials account carried under accounts 151, Fuel Stock, and 152, Fuel Stock Expenses Undistributed, and cleared to this account on the basis of oil used. See accounts 151 and 152 for basis of costs and includible items of fuel stock expenses.

728 Liquefied petroleum gas.

A. This account shall include the cost of liquefied petroleum gas, such as propane, butane, or gasoline, vaporized for mixing with other gases or for sale unmixed, including applicable amounts of fuel stock expenses.

B. Records shall be kept to show the type, quantity, and cost of liquefied petroleum gas. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

NOTE: The cost of liquefied petroleum gas and related fuel stock expenses shall be charged initially to the appropriate accounts under accounts 151, Fuel Stock, and 152, Fuel Stock Expenses Undistributed, and cleared to this account on the basis of liquefied petroleum gas used. See accounts 151 and 152 for basis of costs and includible items of fuel stock expenses.

729 Raw materials for other gas processes.

A. This account shall include the cost of raw materials used in the production of manufactured gas by any process not provided for by the foregoing accounts including the production of coal gas by use of retorts, including applicable amounts of fuel stock expenses.

B. Records shall be kept to show the type, quantity, and cost of each raw material used, comparable to the accounting specified in the foregoing accounts for specified types of gas processes. Respective amount of fuel stock and fuel stock expenses shall be readily available.

NOTE: The cost of raw materials and fuel stock expenses shall be charged initially to the appropriate accounts carried under accounts 151, Fuel Stock, and 152, Fuel Stock Expenses Undistributed, and cleared to this account on the basis of raw materials used. See accounts 151 and 152 for basis of raw materials costs and includible items of raw materials stock expenses.

730 Residuals expenses.

A. This account shall include the cost of labor, materials used and expenses incurred including uncollectible accounts in obtaining, handling, preparing, refining, and marketing residuals produced in manufactured gas production processes.

B. Divisions of this account shall be maintained for each of the principal types of expenses chargeable hereto and for each residual or by-product carried in account 731, Residuals Produced—Credit.

731 Residuals produced—Credit.

A. This account shall be credited and the appropriate subdivision of account 153, Residuals and Extracted Products, debited monthly with the estimated value of residuals and other by-products obtained in connection with the production of manufactured gas, whether intended for sale or for use in operations.

B. If the net amount realized from the sale of residuals is greater or less than the amount at which they were originally credited hereto, an adjusting entry shall be made crediting or debiting this account and charging or crediting the appropriate subdivision of account 153, Residuals and Extracted Products, with the difference.

732 Purification expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating purification equipment and apparatus used for conditioning manufactured gas.

ITEMS

Labor:
1. Supervising.
2. Operating conveyors, condensers, coolers, tar extractors and precipitators, shaving scrubbers and naphthalene and light oil scrubbers.
3. Emptying, rearranging, shifting, cleaning, purging, and refilling purifier boxes.
4. Removing spent oxide to refuse pile.
5. Revivifying oxide.
6. Oiling dip sheets of purifier boxes.
7. Inspecting, testing, controlling adjustments, and taking stains.
8. Cleaning and lubricating purification equipment.

Materials and expenses:
9. Iron oxide.
10. Unslacked lime.
11. Shavings.
12. Soda ash for liquid purifiers.
13. Wash oil for naphthalene scrubber.
14. Sulphuric acid.

733 Gas mixing expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating equipment for mixing natural and manufactured gas, or vaporized liquefied petroleum gases for delivery to the distribution system.

ITEMS

Labor:
1. Supervising.
2. Mixing enrichment gas and other gases or air, including mixing of liquid petroleum gas with air in a liquid petroleum air gas plant, and operation of air jetting equipment and controls.
3. Operating, cleaning and lubricating of cleaners, reducers, calorimeters, calorimixers, appliances and mixing apparatus with their related recorders, gauges, valves and controls, and gravitometers.
4. Inspecting, testing and adjusting mixing equipment.
5. Reading instruments and gauges, changing charts, and recording instrument and gauge readings.

Materials and expenses:
6. Packing, waste, lubricants, etc.
7. Small hand tools.
8. Building service, communication service, transportation.

734 Duplicate charges—Credit.

This account shall include concurrent credits for charges which are made to manufactured gas production operating expenses for manufactured gas not entering common system supply, steam or electricity used for which there is no direct money outlay.

NOTE: For manufactured gas used from the common system supply, concurrent credits shall be made to account 812, Gas Used for Other Utility Operations—Credit.

735 Miscellaneous production expenses.

This account shall include the cost of labor, materials used and expenses in-

curred in manufacturing gas production operations not includible in any of the foregoing accounts.

ITEMS

Labor:
1. Supervising.
2. Cleaning gas works yard of coke dust and other waste materials.
3. Humidifying gas or oil fogging gas at the production plant.
4. Cutting grass and care of the grounds around the gas works.
5. Clearing gas works yard of snow.
6. Janitor service and messenger service.
7. Operating elevators and other conveyances for general use at the gas works.
8. General clerical and stenographic work at gas works.
9. Guarding and patrolling plant and yard.
10. Testing plant instruments not elsewhere provided for.
11. Laboratory labor, except that chargeable to other accounts.
12. Reading manufactured gas meters, and calculating and recording hourly volumes produced.
13. Pumping drips (water) at plant (not provided for elsewhere).
14. Odorizing manufactured gas.
15. Operating, cleaning, and lubricating of air compressors with their tanks, instruments, meters, gauges, and controls when used to supply compressed air into the plant's air system.
16. Operating effluent water treatment systems, including chemical treatment ozonation, filter, and related equipment, including treatment of carbon and residual sludge, and removing spent oxide, and spent filtering materials.
17. Pumping water for cooling and condensing.
18. Cleaning filters and other operating duties of water system.

Materials and expenses:
19. Producer gas transferred from coke oven plant to water gas plant for dilution purposes.
20. Building service, communication service, transportation.
21. First aid supplies and safety equipment.
22. Office supplies, printing and stationery.
23. Meals, travelling and incidental expenses.
24. Fuel for heating plant, water for fire protection or general use, and similar items.
25. Lubricants, packing, waste, etc.
26. Odorizing chemicals.
27. Hand tools, drills, saw blades, files, etc.
28. Fire protection supplies.
29. Fogging oils, alcohol, etc.
30. Chemicals, filter materials, etc., and payments to others for disposal of plant effluents and waste.
31. Chemicals for water treatment.

736 Rents.

This account shall include rents for property of others used, occupied or operated in connection with manufactured gas production operations. (See operating expense instruction 3.)

Maintenance

740 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of manufactured gas production facilities. Direct field supervision of specific jobs shall be charged to the appropriate maintenance accounts. (See operating expense instruction 1.)

741 Maintenance of structures and improvements.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures, the book cost of which is includible in account 305, Structures and Improvements. (See operating expense instruction 2.)

742 Maintenance of production equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment for the production of manufactured gas, the book cost of which is included in accounts 306 to 320, inclusive, except such equipment as is used for the production of steam the maintenance of which is includible in accounts 707, Maintenance of Boiler Plant Equipment, and 708, Maintenance of Other Steam Production Plant. (See operating expense instruction 2.)

B. NATURAL GAS PRODUCTION

B.1. Natural Gas Production and Gathering

Operation

750 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of production and gathering systems. Direct supervision of specific activities such as turning on and shutting off wells, operating measuring and regulating stations, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

ITEMS

1. Supervision. (See operating expense instruction 1.)
2. Gas depletion and gas reserve activities.
3. Geological activities in connection with gas production.
4. Rights-of-way office activities and supervision, not in connection with construction or retirement work, or storage.

751 Production maps and records.

This account shall include the cost of labor, materials used and expenses incurred in the preparation and maintenance of production maps and records.

ITEMS

Labor:
With respect to production maps:
1. Supervising.
2. Preparing farm maps, field inventory maps, well location plats, and other maps used in connection with natural gas production and gathering operations.
3. Posting changes and making corrections of maps.
4. Maintaining files of maps and tracings.
5. Surveying deeds, leases, rights-of-way, well locations, etc., for map revisions.
6. Reproducing maps (blueprints, photostats, etc.).

With respect to land records:
7. Supervising.
8. Abstracting titles to date for extension and renewal of leases.
9. Adjusting land and well rentals.
10. Checking free gas rights.
11. Maintaining land and lease records.
12. Delivering rental and royalty checks.
13. Assigning, pooling, merging, renewing, and extending leases.
14. Patrolling land.
15. Preparing expiration calendars.
16. Replacing leases (not involving additional consideration).
17. Transferring payees.

Materials and expenses:
18. Blueprints, photostats, etc.
19. Drafting materials and supplies.
20. Surveying materials and supplies.
21. Employee transportation and travel expenses.
22. Freight, express, parcel post, trucking, and other transportation.
23. Janitor and washroom supplies, etc.
24. Office supplies, stationery and printed forms.
25. Utility services: light, water, and telephone.

752 Gas wells expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating producing gas wells.

ITEMS

Labor:
1. Supervising.
2. Testing, bailing, swabbing, blowing and gauging producing gas wells.
3. Cleaning off old well locations.
4. Painting signs, etc.
5. Minor upkeep of well roads and fences, etc.
6. Turning wells off and on.
7. Pumping wells.

Materials and expenses:
8. Gas, gasoline, and oil used in pumping, bailing, heating, and swabbing.
9. Lumber, nails, and other materials used for upkeep of fences, making signs, etc.
10. Materials for upkeep of well roads, etc.
11. Well swabs.
12. Employees' transportation and travel expenses.
13. Freight, express, parcel post, trucking and other transportation.
14. Transportation: company and rented vehicles.

753 Field lines expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating field lines.

ITEMS

Labor:
1. Supervising.
2. Walking or patrolling lines.
3. Attending valves, lubricating valves and other equipment, blowing and cleaning lines and drips, draining water from lines, operating and cleaning scrubbers, thawing freezes.
4. Taking line pressures, changing pressure charts, operating alarm gauges.
5. Building and repairing gate boxes, foot bridges, stiles, tool boxes, etc., used in line operations, erecting line markers and warning signs, repairing old line roads.
6. Cleaning debris, cutting grass and weeds on rights-of-way.
7. Inspecting and testing not specifically to determine necessity for repairs.
8. Protecting utility property during work by others.
9. Standby time of emergency crews, responding to fire calls, etc.
10. Locating valve boxes or drip riser boxes.
11. Cleaning and repairing tools used in mains operations, making tool boxes, etc.
12. Cleaning structures and equipment.
13. Driving trucks.

Materials and expenses:
14. Line markers and warning signs.
15. Lumber, nails, etc., used in building and repairing gate boxes, foot bridges, stiles, tool boxes, etc.
16. Charts.
17. Scrubber oil.
18. Hand tools.
19. Lubricants, wiping rags, waste, etc.

20. Freight, express, parcel post, trucking and other transportation charges.
21. Employees' transportation and travel expenses.
22. Janitor and washroom supplies.
23. Utility services: light, water, telephone.
24. Gas used in field line operations.

754 Field compressor station expenses.

This account shall include the cost of labor, materials used, except fuel, and expenses incurred in operating field compressor stations.

ITEMS

Labor:
1. Supervising.
2. Operating and checking engines, equipment valves, machinery, gauges, and other instruments, including cleaning, wiping, polishing, and lubricating.
3. Operating boilers and boiler accessory equipment, including fuel handling and ash disposal, recording fuel used, and unloading and storing coal and oil.
4. Repacking valves and replacing gauge glasses, etc.
5. Recording pressures, replacing charts, keeping logs, and preparing reports of station operations.
6. Inspecting and testing equipment when not specifically to determine necessity for repairs or replacement of parts.
7. Pumping drips at the station.
8. Taking dew point readings.
9. Testing water.
10. Cleaning structures, cutting grass and weeds, and minor grading around station.
11. Cleaning and repairing hand tools used in operations.
12. Driving trucks.
13. Watching during shut downs.
14. Clerical work at station.

Materials and expenses:
15. Scrubber oil.
16. Lubricants, wiping rags, and waste.
17. Charts and printed forms, etc.
18. Gauge glasses.
19. Chemicals to test waters.
20. Water tests and treatment by other than employees.
21. Janitor and washroom supplies, first aid supplies, landscaping supplies, etc.
22. Employees' transportation and travel expenses.
23. Freight, express, parcel post, trucking, and other transportation.
24. Utility services: light, water, telephone.

755 Field compressor station fuel and power.

A. This account shall include the cost of gas, coal, oil, or other fuel, or electricity, used for the operation of field compressor stations, including applicable amounts of fuel stock expenses.

B. Records shall be maintained to show the quantity of each type of fuel consumed or electricity used at each compressor station, and the cost of such fuel or power. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

NOTE. The cost of fuel, except gas, and related fuel stock expenses shall be charged initially to appropriate fuel accounts carried in accounts 151, Fuel Stock, and 152, Fuel Stock Expenses Undistributed, and cleared to this account on the basis of fuel used. See accounts 151 and 152 for the basis of fuel costs and includible fuel stock expenses.

756 Field measuring and regulating station expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating field measuring and regulating stations.

ITEMS

Labor:
1. Supervising.
2. Recording pressures and changing charts, reading meters, etc.
3. Estimating lost meter registrations, etc., except gas purchases and sales.
4. Calculating gas volumes from meter charts, except for gas purchases and sales.
5. Adjusting and calibrating measuring equipment, changing meters, orifice plates, gauges, clocks, etc., not in connection with maintenance or construction.
6. Testing gas samples, inspecting and testing gas sample tanks and other meter engineer's equipment, determining specific gravity and Btu content of gas.
7. Inspecting and testing equipment not specifically to determine necessity for repairs including pulsation tests.
8. Cleaning and lubricating equipment.
9. Keeping log and other operating records, preparing reports of operations, etc.
10. Attending boilers and operating other accessory equipment.
11. Installing and removing district gauges for pressure survey.
12. Thawing freeze in gauge pipes.
13. Inspecting and pumping drips, dewatering manholes and pits, inspecting sumps, cleaning pits, etc., blowing meter drips.
14. Moving equipment, minor structures, etc., not in connection with construction, retirement, or maintenance work.

Materials and expenses:
15. Charts and printed forms, stationery and office supplies, etc.
16. Lubricants, wiping rags, waste.
17. Employees' transportation and travel expense.
18. Freight, express, parcel post, trucking and other transportation.
19. Utility services: light, water, telephone.

757 Purification expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating equipment used for purifying, dehydrating, and conditioning of natural gas.

ITEMS

Labor:
1. Supervising.
2. Changing charts on fuel meters.
3. Emptying, cleaning and refilling purifier boxes.
4. Oiling dip sheets of purifier covers.
5. Removing spent oxide to refuse piles.
6. Revivifying oxide.
7. Taking readings of inlet and outlet pressures and temperature.
8. Unloading and storing glycol.
9. Watching station and equipment.
10. Cutting grass and weeds, and minor grading around equipment and stations.
11. Hauling operating employees, materials, supplies and tools, etc.
12. Inspecting and testing equipment, not specifically to determine necessity for repairs or replacement of parts.
13. Lubricating equipment, valves, etc.
14. Operating and checking equipment, valves, instruments, etc.

Materials and expenses:
15. Liquid purifying supplies.
16. Iron oxide.
17. Odorizing materials.
18. Charts, printed forms, etc.
19. Employees' transportation and travel expenses.
20. Freight, express, parcel post, trucking, and other transportation.
21. Gas used in operations.
22. Janitor, washroom, and landscaping supplies.
23. Lubricants, wiping rags, waste, etc.
24. Utility services: light, water, telephone.

NOTE: Inclusion of dehydration expenses in this account shall be consistent with the functional classification of dehydration plant as to which, see the note to account 336, Purification Plant, relating to cases where dehydrators may be located some distance from the production sources of gas.

758 Gas well royalties.

A. This account shall include royalties paid for natural gas produced by the utility from wells on land owned by others.

B. Records supporting the entries to this account shall be so kept that the utility can furnish the name of the parties to each contract involving royalties, the terms of each contract, the location of the property involved, the method of determining the royalties, and the amounts payable.

759 Other expenses.

This account shall include the cost of labor, materials used and expenses incurred in producing and gathering natural gas and not includible in any of the foregoing accounts.

ITEMS

Labor:
1. Moving cleaning tools between locations.
2. Operating communications system.
3. Reading limited and unlimited free gas meters.

Materials and expenses:
4. Miscellaneous small tools, etc.

760 Rents.

This account shall include rents for property of others used, occupied or operated in connection with the production and gathering of natural gas, other than rentals on land and land rights held for the supply of natural gas. (See operating expense instruction 3.)

NOTE: See account 795, Delay Rentals, for rentals paid on lands held for the purpose of obtaining a supply of gas in the future.

Maintenance

761 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of the production and gathering facilities as a whole. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

762 Maintenance of structures and improvements.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures and improvements, the book cost of which is includible in accounts 326, Gas Well Structures, 327, Field Compressor Station Structures, 328, Field Measuring and Regulating Station Structures, and 329, Other Structures. (See operating expense instruction 2.)

763 Maintenance of producing gas wells.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of gas wells and equipment includible in accounts 330, Producing Gas Wells—Well Construc-

tion, and 331, Producing Gas Wells—Well Equipment. (See operating expense instruction 2.)

764 Maintenance of field lines.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of field lines the book cost of which is includible in account 332, Field Lines. (See operating expense instruction 2.)

ITEMS

1. Electrolysis and leak inspections (not routine).
2. Installing and removing temporary lines, when necessitated by maintenance.
3. Lamping and watching while making repairs.
4. Lowering and changing location of portion of lines, when the same pipe is used.
5. Protecting lines from fires, floods, land slides, etc.
6. Rocking creek crossings.

765 Maintenance of field compressor station equipment.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of field compressor station equipment includible in account 333, Field Compressor Station Equipment. (See operating expense instruction 2.)

766 Maintenance of field measuring and regulating station equipment.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of field measuring and regulating station equipment includible in account 334, Field Measuring and Regulating Station Equipment. (See operating expense instruction 2.)

767 Maintenance of purification equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of purification equipment includible in account 336, Purification Equipment. (See operating expense instruction 2.)

NOTE: Inclusion of dehydration maintenance expenses in this account shall be consistent with the functional classification of dehydration plant as to which see the note to account 336, Purification Equipment, relating to cases where dehydrators may be located some distance from the production sources of gas.

768 Maintenance of drilling and cleaning equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of drilling and cleaning equipment includible in account 335, Drilling and Cleaning Equipment, except such costs of maintaining drilling tools or other equipment which are assignable to the cost of drilling wells. (See operating expense instruction 2.)

769 Maintenance of other equipment.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of other production and gathering equipment includible in account 337, Other Equipment. (See operating expense instruction 2.)

B.2. Products Extraction

Operation

770 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of products extraction and refining operations, except supervision of marketing and selling operations which shall be charged to account 779, Marketing Expenses. Direct supervision of specific extraction and refining activities shall be charged to the appropriate account. (See operating expense instruction 1.)

771 Operation labor.

This account shall include the cost of labor used in the operation of facilities for the extraction of gasoline, butane, propane, or other salable products from natural gas and for refining such products.

ITEMS

Labor:
1. Supervising.
2. Operating, checking, lubricating, wiping, polishing, and cleaning engines, equipment, valves, machinery, gauges, and other instruments, etc.
3. Inspecting and testing equipment and instruments, not specifically to determine necessity for repairs or replacement of parts.
4. Reading meters, gauges, and other instruments, changing charts, preparing operating reports, etc.
5. Testing gasoline samples, water, etc.
6. Cleaning structures housing equipment, cutting grass and weeds and doing minor grading work around equipment and structures, etc.
7. Driving trucks used in products extraction operations.
8. Cleaning and repairing hand tools used in operations, etc.
9. Watching plant during shut-down periods.
10. Making electricity or steam.

772 Gas shrinkage.

A. This account shall include the cost of gas lost or absorbed in the process of extraction of salable products from natural gas, exclusive of gas used as fuel, the cost of which shall be included in account 773, Fuel.

B. Concurrent credits offsetting charges to this account shall be made to account 811, Gas Used for Products Extraction—Credit.

773 Fuel.

A. This account shall include the cost of natural gas or other fuel used in extracting gasoline, butane, propane and other salable products from natural gas, including fuel used for generation of electricity or making steam.

B. Concurrent Credits offsetting charges to this account shall be made to account 811, Gas Used for Products Extraction—Credit.

774 Power.

This account shall include the cost of electricity purchased for operation of facilities used in the extraction of gasoline, butane, propane, or other salable products from natural gas.

775 Materials.

This account shall include the cost of materials used in extracting salable products from natural gas and blending and refining such products.

ITEMS

1. Absorption oil.
2. Charcoal.
3. Water (payments to others for water).
4. Steam (payments to others for steam).
5. Blending agents.
6. Natural gasoline removed from inventory for blending and refining purposes.
7. Tetraethyl lead.

776 Operation supplies and expenses.

This account shall include supplies used and expenses incurred in the operation of facilities for recovering salable products from natural gas and blending and refining such products, not provided for elsewhere.

ITEMS

1. Employee transportation and travel expenses.
2. Freight, express, parcel post, trucking and other transportation.
3. Utility services: light, water, telephone.
4. Charts, gas measurement, etc.
5. Janitor, washroom and landscaping supplies.
6. Lubricants: oil and grease, wiping rags and waste, etc.
7. Testing equipment, hand tools, etc., of a portable nature and relatively minor cost or of short life.

777 Gas processed by others.

A. This account shall include the cost of gas shrinkage, gas consumed for fuel, royalties, and other expenses in connection with the processing of gas of the utility by others for extraction of salable products, for which the related revenues are includible in account 491, Revenues from Natural Gas Processed by Others.

B. Concurrent credits offsetting charges to this account for the difference between gas delivered to others for processing and gas returned after processing, such as shrinkage in the processing operations and gas of the utility used for fuel, shall be made to account 811, Gas Used for Products Extraction—Credit.

C. Records supporting this account shall be so maintained that full information will be readily available concerning gas shrinkage, gas used for fuel, royalties, and other expenses assumed or paid by the utility with regard to each processor of gas of the utility. (See paragaraph B of account 491, Revenues from Natural Gas Processed by Others.)

ITEMS

1. Gas shrinkage, being cost of the reduction in gas from products extraction operations of gas of the utility processed by others.
2. Gas for fuel, being cost of gas of the utility used for fuel in connection with the products extraction processing of the utility's gas by others.
3. Royalties, being payments of fractional interests of royalty holders in products extracted by others from gas of the utility.

778 Royalties on products extracted.

This account shall include royalties paid by the utility to others for the right to extract salable products from natural gas.

779 Marketing expenses.

A. This account shall include the cost of labor, materials used and expenses in-

curred in the marketing of products extracted from natural gas and of similar products purchased for resale.

B. The records supporting this account shall be so maintained that summaries of the various types of expenses shall be readily available.

ITEMS

Labor:

1. Salaries of persons directly engaged in marketing operations.

Materials and expenses:

2. Employee transportation and travel expenses.
3. Tank car rentals.
4. Freight and hauling charges for products shipped.
5. Miscellaneous marketing expenses.
6. Building service charges for space occupied by marketing personnel.
7. Uncollectible accounts for extracted products sold.

780 Products purchased for resale.

A. This account shall include the cost of gasoline, butane, propane, or other salable products purchased from others for resale.

B. The records supporting this account shall be so maintained that the kind, quantity, and cost of products purchased from each vendor are readily available.

781 Variation in products inventory.

This account shall include credits for increases, and debits for decreases in the inventories of salable products extracted from natural gas or purchased for resale. The net debit or credit in this account shall equal the difference between the inventory at the beginning of the accounting year and the end of the accounting month.

782 Extracted products used by the utility—Credit.

This account shall include concurrent credits for charges which are made to operating expenses or other accounts of the gas department for gasoline or other extracted products which are used from stocks recovered in the natural gas extraction process or purchased for resale, and for such products used for blending and refining processes, the contra debit for which is account 775, Materials.

783 Rents.

This account shall include all rents for the property of others used, occupied, or operated in connection with the extraction of salable products from natural gas, exclusive of tank car rentals and other similar rentals includible in account 779, Marketing Expenses. (See operating expense instruction 3.)

Maintenance

784 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of facilities used in the extraction and refining of salable products from natural gas. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

785 Maintenance of structures and improvements.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures, the book cost of which is includible in account 341, Structures and Improvements. (See operating expense instruction 2.)

786 Maintenance of extraction and refining equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 342, Extraction and Refining Equipment. (See operating expense instruction 2.)

787 Maintenance of pipe lines.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 343, Pipe Lines. (See operating expense instruction 2.)

788 Maintenance of extracted products storage equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 344, Extracted Products Storage Equipment. (See operating expense instruction 2.)

789 Maintenance of compressor equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 345, Compressor Equipment. (See operating expense instruction 2.)

790 Maintenance of gas measuring and regulating equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 346, Gas Measuring and Regulating Equipment. (See operating expense instruction 2.)

791 Maintenance of other equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 347, Other Equipment. (See operating expense instruction 2.)

C. EXPLORATION AND DEVELOPMENT EXPENSES

795 Delay rentals.

A. This account shall be charged with the amount of rents paid periodically on natural gas lands in order to hold natural gas land and land rights for the purpose of obtaining a supply of gas in the future.

B. Include also in this account the cost of obtaining natural gas leases for a period of one year or less.

C. Records supporting this account shall be so kept that the utility can furnish complete details of the charges made for each natural gas leasehold. (See note to gas plant instruction 7G.)

796 Nonproductive well drilling.

This account shall include the net cost of drilling nonproductive wells.

NOTE: Records in support of the charges to this account shall conform, as appropriate, to note B of general instruction 12, Records for Each Plant.

797 Abandoned leases.

A. This account shall be charged with amounts credited to account 113.1, Accumulated Provision for Abandonment of Leases, to cover the probable loss on abandonment of natural gas leases included in account 105, Gas Plant Held for Future Use, which have never been productive.

B. When natural gas leaseholds which have never been productive are abandoned, and the amounts provided in account 113.1, Accumulated Provision for Abandonment of Leases, are not sufficient to cover the cost thereof, the deficiency shall be charged to this account, unless otherwise authorized or directed by the Commission. (See account 182.)

798 Other exploration.

This account shall be charged with the cost of abandoned projects on which preliminary expenditures were made for the purpose of determining the feasibility of acquiring acreage to provide a future supply of natural gas. (See account 183.1, Preliminary Natural Gas Survey and Investigation Charges.)

D. OTHER GAS SUPPLY EXPENSES

Operation

800 Natural gas well head purchases.

A. This account shall include the cost at well head of natural gas purchased from producers in gas fields or production areas where only the utility's facilities are used in bringing the gas from the well head into the utility's natural gas system.

B. The records supporting this account shall be so maintained that there shall be readily available for each vendor and well head the quantity of gas, basis of charges, and amount paid for the gas.

NOTE: If gas purchases are made under one contract covering both well head and field line purchases and such amounts are not readily separable, the utility may classify such purchases according to predominant source or according to a reasonable estimate.

801 Natural gas field line purchases.

A. This account shall include the cost, at point of receipt by the utility, of natural gas purchased in gas fields or production areas at points along gathering lines, and at points along the utility's transmission lines within field or production areas, exclusive of purchases at outlets of gasoline plants includible in account 802, where facilities of the vendor or others are used in bringing the gas from the well head to the point of entry into the utility's natural gas system.

B. The records supporting this account shall be so maintained that there shall be readily available for each vendor and each point of receipt, the quantity of gas, basis of charges, and amount paid for the gas.

NOTE: If gas purchases are made under one contract covering both well head and field line purchases and such amounts are not readily separable, the utility may classify such purchases according to predominant source or according to a reasonable estimate.

802 Natural gas gasoline plant outlet purchases.

A. This account shall include the cost, at point of receipt by the utility, of natural gas purchased at the outlet side of vendor's natural gas products extraction plants.

B. The records supporting this account shall be so maintained that there shall be readily available for each vendor and for each products extraction plant, the quantity of gas, basis of the charges, and the amount paid for the gas.

803 Natural gas transmission line purchases.

A. This account shall include the cost, at point of receipt by the utility, of natural gas purchased at points along the utility's transmission lines not within gas fields or production areas, excluding purchases at the outlets of products extraction plants includible in account 802.

B. The records supporting this account shall be so maintained that there shall be readily available for each vendor and each point of receipt, the quantity of gas, basis of charges, and the amount paid for the gas.

804 Natural gas city gate purchases.

A. This account shall include the cost, at point of receipt by the utility, of natural gas purchased which is received at the entrance to the distribution system of the utility.

B. The records supporting this account shall be so maintained that there shall be readily available for each vendor and each point of receipt, the quantity of gas, basis of the charges, and the amount paid for the gas.

NOTE. Do not credit this account for gas used in reforming for which the cost is charged to manufactured gas production expenses. Credits for such gas should be made to account 812, Gas Used for Other Utility Operations—Credit.

805 Other gas purchases.

A. This account shall include the cost, at point of receipt by the utility, of manufactured gas, refinery gas, or any gas other than natural gas, or other than any mixed gas in which the natural gas is an important proportion of the mixture.

B. The records supporting this account shall be so maintained that there shall be readily available for each vendor and each point of receipt, the kind and quantity of gas, Btu content, basis of the charges, and the amount paid for the gas.

806 Exchange gas.

A. This account shall include debits or credits for the cost of gas in unbalanced exchange transactions whereby gas is received from another party in exchange for delivery of gas to such other party and receipt and delivery of such gas is not completed during the accounting period. Contra entries to those in this account shall be made to account 174, Miscellaneous Current and Accrued Assets, for exchange gas receivable and to account 242, Miscellaneous Current and Accrued Liabilities, for exchange gas deliverable. Such entries shall be reversed and appropriate contra entries made to this account when gas is received or delivered in satisfaction of the amounts receivable or deliverable. This accounting is not required for minor transactions.

B. If revenue is earned or amounts are payable in consideration of the performance of exchange services, such revenue or expense should be recorded in account 495, Other Gas Revenues, or account 813, Other Gas Supply Expenses, as appropriate. See, however, accounts 489, Revenues from Transportation of Gas of Others, and 858, Transmission and Compression of Gas by Others, for transactions which, in fact, are for transportation of gas rather than exchange of gas.

C. Records shall be maintained so that there is readily available for each gas exchange the volume of gas received and delivered whether or not entries of dollar amounts to this account are required.

807 Purchased gas expenses.

A. This account shall include expenses incurred directly in connection with the purchase of gas for resale.

B. The utility shall not include as purchased gas expense, segregated or apportioned expenses of operating and maintaining gathering system plant whether such plant is devoted solely or partially to purchases of gas, except that the utility shall include the cost of turning on and off purchase gas wells and operating measuring stations devoted exclusively to measuring purchased gas.

C. In general, it is intended that this account include only the expenses directly related to purchased gas, including the expenses of computing volumes of gas purchased, and special items directly related to gas purchases which are not includible in other accounts.

D. This account shall be subdivided as follows:

807.1 Well expenses—Purchased gas.
807.2 Operation of purchased gas measuring stations.
807.3 Maintenance of purchased gas measuring stations.
807.4 Purchased gas calculations expenses.
807.5 Other purchased gas expenses.

808 Gas withdrawn from underground storage—Debit.

A. This account shall include debits for the cost of gas withdrawn from underground storage during the year. Contra credits for entries to this account shall be made to account 117, Gas Stored Underground—Noncurrent.

B. Withdrawal of gas from storage shall not be netted against deliveries to storage. (See account 809.)

NOTE: Adjustments for gas inventory losses due to cumulative inaccuracies in gas measurement, or from other causes, shall be entered in account 823, Gas Losses. If, however, any adjustment is substantial and related predominantly to prior years, it shall be charged to account 435, Miscellaneous Debits to Surplus. (See general instruction 7, Delayed Items.)

809 Gas delivered to underground storage—Credit.

A. This account shall include credits for the cost of gas delivered to underground storage during the year. Contra debits for entries to this account shall be made to account 117, Gas Stored Underground—Noncurrent.

B. Deliveries of gas to storage shall not be netted against withdrawals from storage. (See account 808.)

810 Gas used for compressor station fuel—Credit.

This account shall include concurrent credits for charges which are made to operating expenses for gas consumed for compressor station fuel from the common system gas supply.

811 Gas used for products extraction—Credit.

This account shall include concurrent credits for charges which are made to products extraction expenses for gas shrinkage and gas used for fuel in products extraction operations of the utility and for similar uses of gas of the utility by others processing gas of the utility for extraction of salable products.

812 Gas used for other utility operations—Credit.

This account shall include concurrent credits for charges which are made to operating expenses or other accounts of the gas department for gas consumed from the common system supply for operating and utility purposes other than uses for which credits are includible in any of the foregoing accounts. (See account 484, Interdepartmental Sales, for gas supplied to departments other than the gas utility department.)

813 Other gas supply expenses.

This account shall include the cost of labor and materials used and expenses incurred in connection with gas supply functions not provided for in any of the above accounts.

2. UNDERGROUND STORAGE EXPENSES

Operation

814 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of underground storage operations. Direct supervision of specific activities such as turning on and shutting off storage wells, compressor station operations, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

815 Maps and records.

This account shall include the cost of labor, materials used and expenses incurred in the preparation and maintenance of storage maps and land records.

ITEMS

Labor:
With respect to land records:
1. Supervising.
2. Abstracting titles to date for extension and renewal of leases.
3. Adjusting land and well rentals.
4. Renewing and extending leases or replacing leases not involving additional consideration.

5. Transferring, assigning, pooling, and merging leases.
6. Delivering rental checks.
7. Clerical work in maintaining storage land and lease records.
8. Preparing and maintaining lease expiration calendars.

With respect to maps:
9. Supervising.
10. Preparing maps, well location plats, etc.
11. Reproducing maps (blueprints or photostats).
12. Posting and revising maps.
13. Surveying deeds, leases, rights-of-way, well locations, etc., for map revisions.
14. Maintaining files of maps and tracings.
15. Field checking boundaries, markers, etc. in connection with preparation of maps.

Materials and expenses (general):
16. Reproduction of land and lease records and maps (blueprints, photostats, etc.).
17. Drafting materials and supplies.
18. Surveying materials and supplies.
19. Employees' transportation and travel expenses.

816 Wells expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating storage gas wells.

ITEMS

Labor:
1. Supervising.
2. Testing, bailing, swabbing, blowing, and gauging storage wells.
3. Painting signs, etc.
4. Minor upkeep of well roads, fences, etc.
5. Turning storage wells on and off.
6. Moving cleaning out tools between locations.
7. Driving trucks.

Materials and expenses:
8. Gas, gasoline, and oil used in pumping, bailing, heating, and swabbing.
9. Lumber, nails, and other materials used for repairing old well roads and fences.
10. Well swabs.
11. Employees' transportation and travel expenses.
12. Freight, express, parcel post, trucking, and other transportation.

817 Lines expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating underground storage lines.

ITEMS

Labor:
1. Supervising.
2. Walking or patrolling lines.
3. Attending valves, lubricating valves and other equipment, blowing and cleaning lines and drips, draining water from lines, operating and cleaning scrubbers, thawing freezes.
4. Taking line pressures, changing pressure charts, operating alarm gauges.
5. Building and repairing gate boxes, foot bridges, stiles, tool boxes, etc., used in line operations, erecting line markers and warning signs, repairing old line roads.
6. Cleaning debris, cutting grass and weeds on rights-of-way.
7. Inspecting and testing not specifically to determine necessity for repairs.
8. Protecting utility property during work by others.
9. Standby time of emergency crews, responding to fire calls, etc.
10. Locating valve boxes or drip riser boxes.
11. Cleaning and repairing tools used in storage lines operations.
12. Cleaning structures and equipment.
13. Driving trucks.

Materials and expenses:
14. Line markers and warning signs.
15. Lumber, nails, etc., used in building and repairing gate boxes, foot bridges, stiles, etc.
16. Charts.
17. Scrubber oil.
18. Hand tools.
19. Lubricants, wiping rags, waste, etc.
20. Freight, express, parcel post, trucking and other transportation.
21. Employees' transportation and travel expenses.
22. Janitor and washroom supplies.
23. Utility services: light, water, telephone.
24. Gas used in operations.

818 Compressor station expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating underground storage compressor stations.

ITEMS

Labor:
1. Supervising.
2. Operating and checking engines, equipment, valves, machinery, gauges, and other instruments, including cleaning, wiping, polishing, and lubricating.
3. Operating boilers and boiler accessory equipment, including fuel handling and ash disposal, recording fuel used, and unloading and storing coal and oil.
4. Repacking valves and replacing gauge glasses, etc.
5. Recording pressures, replacing charts, keeping logs, and preparing reports of station operations.
6. Inspecting and testing equipment when not specifically to determine necessity for repairs or replacement of parts.
7. Pumping drips at the station.
8. Taking dew point readings.
9. Testing water.
10. Cleaning structures housing equipment, cutting grass and weeds, and minor grading around station.
11. Cleaning and repairing hand tools used in operations.
12. Driving trucks.
13. Watching during shut downs.
14. Clerical work at station.

Materials and expenses:
15. Scrubber oil.
16. Lubricants, wiping rags, and waste.
17. Charts and printed forms, etc.
18. Gauge glasses.
19. Chemicals to test water.
20. Water tests and treatment by other than employees.
21. Janitor and washroom supplies, first aid supplies, landscaping supplies, etc.
22. Employees' transportation and travel expenses.
23. Freight, express, parcel post, trucking, and other transportation.
24. Utility services: light, water, telephone.

819 Compressor station fuel and power.

A. This account shall include the cost of gas, coal, oil, or other fuel, or electricity, used for the operation of underground storage compressor stations, including applicable amounts of fuel stock expenses.

B. Records shall be maintained to show the quantity of each type of fuel consumed or electricity used at each compressor station, and the cost of such fuel or power. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

NOTE. The cost of fuel, except gas, and related fuel stock expenses shall be charged initially to appropriate fuel accounts carried in accounts 151, Fuel Stock, and 152, Fuel Stock Expenses Undistributed, and cleared to this account on the basis of fuel used. See accounts 151 and 152 for the basis of fuel costs and includible fuel stock expenses.

820 Measuring and regulating station expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating underground storage measuring and regulating stations.

ITEMS

Labor:
1. Supervising.
2. Recording pressures and changing charts, reading meters, etc.
3. Estimating lost meter registrations, etc. except gas purchases and sales.
4. Calculating gas volumes from meter charts except gas purchases and sales.
5. Adjusting and calibrating measuring equipment, changing meters, orifice plates, gauges, clocks, etc., not in connection with construction or maintenance.
6. Testing gas samples, inspecting and testing gas sample tanks and other meter engineers equipment, determining specific gravity and Btu content of gas.
7. Inspecting and testing equipment not specifically to determine necessity for repairs, including pulsation tests.
8. Cleaning and lubricating equipment.
9. Keeping log and other operating records, preparing reports of operations, etc.
10. Attending boilers and operating other accessory equipment.
11. Installing and removing district gauges for pressure survey.
12. Thawing freeze in gauge pipe.
13. Inspecting and pumping drips, dewatering manholes and pits, inspecting sumps, cleaning pits, etc., blowing meter drips.
14. Moving equipment, minor structures, etc., not in connection with maintenance or construction.

Materials and expenses:
15. Charts and printed forms, stationery and office supplies, etc.
16. Lubricants, wiping rags, waste.
17. Employees' transportation and travel expense.
18. Freight, express, parcel post, trucking and other transportation.
19. Utility services: light, water, telephone.

821 Purification expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating equipment used for purifying, dehydrating, and conditioning of natural gas in connection with underground storage operations.

ITEMS

Labor:
1. Supervising.
2. Changing charts on fuel meters.
3. Emptying, cleaning and refilling purifier boxes.
4. Oiling dip sheets of purifier covers.
5. Removing spent oxide to refuse piles.
6. Revivifying oxide.
7. Taking readings of inlet and outlet pressures and temperature.
8. Unloading and storing glycol.
9. Watching station and equipment.
10. Cutting grass and weeds, and minor grading around equipment and stations.
11. Hauling operating employees, materials, supplies and tools, etc.
12. Inspecting and testing equipment, not specifically to determine necessity for repairs or replacement of parts.
13. Lubricating equipment, valves, etc.
14. Operating and checking equipment, valves, instruments, etc.

Materials and expenses:
15. Liquid purifying supplies.

16. Iron oxide.
17. Odorizing materials.
18. Charts, printed forms, etc.
19. Employees' transportation and travel expenses in connection with purification and dehydration operations.
20. Freight, express, parcel post, trucking and other transportation.
21. Gas used in operations.
22. Janitor, washroom and landscaping supplies.
23. Lubricants, wiping rags, waste, etc.
24. Utility services: light, water, telephone.

822 Exploration and development.

This account shall include expenses of investigation, exploration, and development of underground storage projects under consideration which prove not feasible. There also shall be included in this account the net cost of drilling nonoperative wells within an existing storage project. (See account 183.2, Other Preliminary Survey and Investigation Charges.)

NOTE. Include in account 352, Wells, the cost of wells which may be drilled within a storage project for purposes of pressure observation rather than for injection or withdrawal of gas.

823 Gas losses.

This account shall include the amounts of inventory adjustments representing the cost of gas lost or unaccounted for in underground storage operations due to cumulative inaccuracies of gas measurements or other causes. (See paragraph G of account 117, Gas Stored Underground—Noncurrent.) If, however, any adjustment is substantial and relates predominantly to prior years, it shall be charged to account 435, Miscellaneous Debits to Surplus. (See general instruction 7, Delayed Items.)

824 Other expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating underground storage plant, and other underground storage operating expenses, not includible in any of the foregoing accounts.

825 Storage well royalties.

A. This account shall include royalties, rents, and other payments includible in operating expenses for gas wells and gas land acreage located within and comprising underground storage projects of the utility. (See operating expense instruction 3.)

B. The records supporting this account shall be so maintained that information will be readily available for each storage project, of the parties to each contract, basis of the charges, and location of wells to which the royalties or rents of each contract relate.

826 Rents.

This account shall include rents for property of others used in connection with the storage of gas underground, other than rents and royalties paid with respect to storage wells and gas lands utilized for the holding of gas in underground storage. (See operating expense instruction 3.)

Maintenance

830 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of underground storage facilities. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

831 Maintenance of structures and improvements.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures, the book cost of which is includible in account 351, Structures and Improvements. (See operating expense instruction 2.)

832 Maintenance of wells.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of storage wells, the book cost of which is included in account 352, Wells. (See operating expense instruction 2.)

833 Maintenance of lines.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of underground storage lines, the book cost of which is includible in account 353, Lines. (See operating expense instruction 2.)

834 Maintenance of compressor station equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 354, Compressor Station Equipment. (See operating expense instruction 2.)

835 Maintenance of measuring and regulating station equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 355, Measuring and Regulating Equipment. (See operating expense instruction 2.)

836 Maintenance of purification equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of purification equipment, the book cost of which is includible in account 356, Purification Equipment. (See operating expense instruction 2.)

837 Maintenance of other equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 357, Other Equipment. (See operating expense instruction 2.)

3. LOCAL STORAGE EXPENSES

Operation

840 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of local storage facilities. Direct supervision of specific activities such as operation of gas holders shall be charged to the appropriate account. (See operating expense instruction 1.)

841 Operation labor and expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating storage holders and other local storage equipment.

ITEMS

Labor:
1. Supervising.
2. Operating, checking, lubricating, cleaning, and polishing equipment, machinery, valves, instruments, and other local storage equipment.
3. Reading meters, gauges and other instruments, changing charts, preparing operating reports, etc.
4. Pumping inlet and outlet holder drips.
5. Inspecting and testing equipment when not specifically for repairs or replacement of parts.
6. Cleaning structures and housing equipment, cutting grass and weeds, and doing minor grading work around structures and equipment.
7. Cleaning and repairing hand tools used for operations, etc.
8. Operating steam lines for heating storage facilities.

Materials and expenses:
9. Charts for pressure gauges and meters, printed forms, etc.
10. Lubricants, wiping rags, waste, etc.
11. Janitor and washroom supplies, landscaping supplies, etc.
12. Employee travel and transportation expenses.
13. Freight, express, parcel post, trucking, and other transportation.
14. Utility services: light, water, and telephone.
15. Steam for holder caps, including fuel to produce such steam.
16. Variation of gas in holders.

842 Rents.

This account shall include rents for property of others used or operated in connection with local storage operations. (See operating expense instruction 3.)

Maintenance

843 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of local storage facilities. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

844 Maintenance of structures and improvements.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures, the book cost of which is includible in account 361, Structures and Improvements. (See operating expense instruction 2.)

845 Maintenance of gas holders.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of gas holders, the book cost of which is includible in account 362, Gas Holders. (See operating expense instruction 2.)

846 Maintenance of other equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 363, Other Equipment. (See operating expense instruction 2.)

4. Transmission Expenses

Operation

850 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of transmission facilities. Direct supervision of specific activities such as operation of transmission lines, compressor stations, etc. shall be charged to the appropriate account. (See operating expense instruction 1.)

851 System control and load dispatching.

This account shall include the cost of labor and expenses incurred in dispatching and controlling the supply and flow of gas through the system.

Items

Labor:
1. Supervising.
2. Analyses of pressures for irregularities, as received.
3. Collecting pressures by telephone and radio.
4. Controlling mixture of various gases to maintain proper Btu content.
5. Correspondence and records, typing and maintaining files.
6. Controlling production and storage inputs and withdrawals.
7. Instructing field men to increase or decrease pressures at regulators.
8. Maintaining pressures at compressor stations, key line junctions and regulating stations to divide the available gas during heavy demand periods.
9. Maintaining pressure log sheets.
10. Maintaining proper compression ratios at compressor stations, consistent with economical operations.
11. Maintaining lowest necessary line pressures consistent with satisfactory service.
12. Maintaining well operation record by well classification.
13. Requesting pressure changes at compressor stations, regulating stations, and key line junctions.
14. Rerouting gas during emergencies and planned shut downs.

Materials and expenses:
15. Consultants' fees and expenses.
16. Meals, traveling, and incidental expenses in connection with system load dispatching.
17. Office supplies, stationery and printed forms.
18. Transportation: company and rental vehicles.
19. Utility services: light, water, telephone.

852 Communication system expenses.

A. This account shall include the cost of labor, materials used and expenses incurred in connection with the operation of transmission communications facilities, such as radio and telephone communications systems, including payments to others for communications services for transmission and load dispatching operations.

B. Credits shall be made to this account and charges made to production, distribution and other gas utility functions and to other utility departments for equitable portions of transmission communications expenses attributable to use of transmission communications facilities other than in connection with gas transmission and load dispatching operation.

Items

Labor:
1. Supervising.
2. Operating switchboards, radio equipment, power generators, microwave equipment, etc. (except general office switchboards.)
3. Tagging telephone poles.
4. Testing and replacing telephone batteries, radio tubes, etc.
5. Cutting weeds and grass along telephone rights-of-way and around structures and equipment.
6. Changing radio frequencies.
7. Securing FCC authorization to change frequencies.
8. Taking FCC radio operator tests.
9. Transferring mobile radios between vehicles.
10. Changing locations of telephones and other communications equipment not in connection with maintenance or construction.
11. Inspecting and testing not specifically to determine necessity for repairs.
12. Cleaning and lubricating equipment.
13. Cleaning structures housing equipment.

Materials and expenses:
14. Payments to others for communications services.
15. Telephone batteries, radio tubes, etc.
16. Radio crystals and other materials used in changing radio frequencies.
17. Lubricants, wiping rags, and waste.
18. Employees' transportation and travel expenses.
19. Freight, expense, parcel post, trucking, and other transportation.

853 Compressor station labor and expenses.

This account shall include the cost of labor, materials used and expenses incurred (other than fuel and power) in operating transmission compressor stations.

Items

Labor:
1. Supervising.
2. Operating and checking engines, equipment valves, machinery, gauges, and other instruments, including cleaning, wiping, polishing, and lubricating.
3. Operating boilers and boiler accessory equipment, including fuel handling and ash disposal, recording fuel used, and unloading and storing coal and oil.
4. Repacking valves and replacing gauge glasses, etc.
5. Recording pressures, replacing charts, keeping logs, and preparing reports of station operations.
6. Inspecting and testing equipment not specifically to determine necessity for repairs.
7. Pumping drips at the station.
8. Taking dew point readings.
9. Testing water.
10. Cleaning structures housing equipment, cutting grass and weeds, and minor grading around station.
11. Cleaning and repairing hand tools used in operations.
12. Driving trucks.
13. Watching during shut downs.
14. Clerical work at station.

Materials and expenses:
15. Scrubber oil.
16. Lubricants, wiping rags, and waste.
17. Charts and printed forms, etc.
18. Gauge glasses.
19. Chemicals to treat water.
20. Water tests and treatment by other than employees.
21. Janitor and washroom supplies, first aid supplies, landscaping supplies, etc.
22. Employees' transportation and travel expenses.
23. Freight, express, parcel post, trucking, and other transportation.
24. Utility services: light, water, telephone.

854 Gas for compressor station fuel.

A. This account shall include the cost of gas used for the operation of transmission compressor stations.

B. Records shall be maintained to show the Mcf of gas consumed at each compressor station, and the cost of such gas.

855 Other fuel and power for compressor stations.

A. This account shall include the cost of coal, oil, and other fuel, or electricity, used for the operation of transmission compressor stations, including applicable amounts of fuel stock expenses.

B. Records shall be maintained to show the quantity of each type of fuel consumed or electricity used at each compressor station, and the cost of such fuel or power. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

Note: The cost of fuel, includible in this account, and related fuel stock expenses shall be charged initially to appropriate fuel accounts carried in accounts 151, Fuel Stock, and 152, Fuel Stock Expenses Undistributed, and cleared to this account on the basis of fuel used. See accounts 151 and 152 for the basis of fuel costs and includible fuel stock expenses.

856 Mains expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating transmission mains.

Items

Labor:
1. Supervising.
2. Walking or patroling lines.
3. Attending valves, lubricating valves and other equipment, blowing and cleaning lines and drips, draining water from lines, operating and cleaning scrubbers, thawing freezes.
4. Taking line pressures, changing pressure charts, operating alarm gauges.
5. Building and repairing gate boxes, foot bridges, stiles, etc., used in line operations, erecting line markers and warning signs, repairing old line roads.
6. Cleaning debris, cutting grass and weeds on rights-of-way.
7. Inspecting and testing not specifically to determine necessity for repairs.
8. Protecting utility property during work by others.
9. Standby time of emergency crews, responding to fire calls, etc.
10. Locating valve boxes or drip riser boxes.
11. Cleaning and repairing tools used in mains operations, making tool chests, etc.
12. Cleaning structures and equipment.
13. Driving trucks.

Materials and expenses:
14. Line markers and warning signs.
15. Lumber, nails, etc., used in building and repairing gate boxes, foot bridges, stiles, etc.
16. Charts.
17. Scrubber oil.
18. Hand tools.

19. Lubricants, wiping rags, waste, etc.
20. Freight, express, parcel post, trucking and other transportation.
21. Employees' transportation and travel expenses.
22. Janitor and washroom supplies.
23. Utility services: light, water, telephone.
24. Gas used in mains operations.

857 Measuring and regulating station expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating transmission measuring and regulating stations.

ITEMS

Labor:
1. Supervising.
2. Recording pressures and changing charts, reading meters, etc.
3. Estimating lost meter registrations, etc., except gas purchases and sales.
4. Calculating gas volumes from meter charts, except gas purchases and sales.
5. Adjusting and calibrating measuring equipment, changing meters, orifice plates, gauges, clocks, etc. not in connection with construction or maintenance.
6. Testing gas samples, inspecting and testing gas sample tanks and other meter engineers' equipment, determining specific gravity and Btu content of gas.
7. Inspecting and testing equipment not specifically to determine necessity for repairs including pulsation tests.
8. Cleaning and lubricating equipment.
9. Keeping log and other operating records, preparing reports of operations, etc.
10. Attending boilers and operating other accessory equipment.
11. Installing and removing district gauges for pressure survey.
12. Thawing freeze in gauge pipe.
13. Inspecting and pumping drips, dewatering manholes and pits, inspecting sumps, cleaning pits, etc., blowing meter drips.
14. Moving equipment, minor structures, etc., not in connection with maintenance or construction.

Materials and expenses:
15. Charts and printed forms.
16. Lubricants, wiping rags, waste.
17. Employees' transportation and travel expense.
18. Freight, express, parcel post, trucking and other transportation.
19. Utility services: light, water, telephone.

858 Transmission and compression of gas by others.

A. This account shall include amounts paid to others for the transmission and compression of gas of the utility.

B. Records supporting this account shall be so maintained that there shall be readily available for each agreement, name of other party, Mcf of gas delivered to the other party for transmission or compression and the Mcf of gas received back by the utility after transmission or compression, points of delivery to and receipt of gas from other party, amount and basis of charges for the transmission or compression service.

NOTE: If in connection with any gas delivered to another for transmission or compression such other party also processes the gas for extraction of gasoline or other salable products, credits attributable to the products so extracted shall be made to account 491, Revenues from Natural Gas Processed by Others, to the end that amounts recorded in this account shall only be charges for transportation or compression service.

859 Other expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating transmission system equipment and other transmission system expenses not includible in any of the foregoing accounts.

860 Rents.

This account shall include rents for property of others used, occupied or operated in connection with the operation of the transmission system. Include herein rentals paid for regulator sites, railroad crossings, rights-of-way, annual payments to governmental bodies and others for use of public or private lands, and reservations for rights-of-way. (See operating expense instruction 3.)

Maintenance

861. Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of transmission system facilities. Direct field supervision of specific jobs shall be charged to the appropriate maintenance accounts. (See operating expense instruction 1.)

862 Maintenance of structures and improvements.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures, the book cost of which is includible in account 366, Structures and Improvements. (See operating expense instruction 2.)

863 Maintenance of mains.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of mains, the book cost of which is includible in account 367, Mains. (See operating expense instruction 2.)

ITEMS

1. Supervising.
2. Electrolysis and leak inspection.
3. Installing and removing temporary lines, when necessitated by maintenance.
4. Lamping and watching while making repairs.
5. Lowering and changing location of lines, when the same pipe is used.
6. Protecting lines from fires, floods, landslides, etc.
7. Rocking creek crossings.

864 Maintenance of compressor station equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 368, Compressor Station Equipment. (See operating expense instruction 2.)

865 Maintenance of measuring and regulating station equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 369, Measuring and Regulating Station Equipment. (See operating expense instruction 2.)

866 Maintenance of communication equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 370, Communication Equipment. (See operating expense instruction 2.)

867 Maintenance of other equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 371, Other Equipment. (See operating expense instruction 2.)

5. DISTRIBUTION EXPENSES

Operation

870 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of distribution system operations. Direct supervision of specific activities such as load dispatching, mains operation, removing and resetting meters, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

871 Distribution load dispatching.

This account shall include the cost of labor, materials used and expenses incurred in dispatching and controlling the supply and flow of gas through the distribution system.

ITEMS

Labor.
1. Supervising.
2. Analyzing pressures for irregularities.
3. Collecting pressures by telephone and radio.
4. Controlling mixture of various gases to maintain proper Btu content.
5. Correspondence and records, typing and maintaining files.
6. Controlling gas-make and inputs to distribution system.
7. Maintaining pressures at key points to divide the available gas during heavy demand periods.
8. Maintaining pressure log sheets.
9. Maintaining lowest necessary line pressures consistent with satisfactory service.
10. Rerouting gas during emergencies and planned shut downs.

Materials and expenses:
11. Consultants' fees and expenses.
12. Meals, traveling, and incidental expenses.
13. Office supplies, stationery and printed forms.
14. Transportation: company and rented vehicles.
15. Utility services: light, water, telephone.

872 Compressor station labor and expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating distribution compressor stations.

ITEMS

Labor:
1. Supervising.
2. Operating and checking engines, equipment valves, machinery, gauges, and other

instruments, including cleaning, wiping, polishing, and lubricating.
3. Operating boilers and boiler accessory equipment, including fuel handling and ash disposal, recording fuel used, and unloading and storing coal and oil.
4. Repacking valves and replacing gauge glasses, etc.
5. Recording pressures, replacing charts, keeping logs, and preparing reports of station operations.
6. Inspecting and testing equipment and instruments when not specifically to determine necessity for repairs or replacement of parts.
7. Pumping drips at the station.
8. Taking dew point readings.
9. Testing water.
10. Cleaning structures housing equipment, cutting grass and weeds, and doing minor grading around station.
11. Cleaning and repairing hand tools used in operations.
12. Driving trucks.
13. Watching during shut downs.
14. Clerical work at station.

Materials and expenses:
15. Scrubber oil.
16. Lubricants, wiping rags, and waste.
17. Charts and printed forms, etc.
18. Gauge glasses.
19. Chemicals to test water.
20. Water tests and treatment by other than employees.
21. Janitor and washroom supplies, first aid supplies, landscaping supplies, etc.
22. Employees' transportation and travel expenses.
23. Freight, express, parcel post, trucking, and other transportation.
24. Utility services: light, water, telephone.

873 Compressor station fuel and power.

A. This account shall include the cost of gas, coal, oil, or other fuel, or electricity, used for the operation of distribution compressor stations, including applicable amounts of fuel stock expenses.

B. Records shall be maintained to show the quantity of each type of fuel consumed or electricity used at each compressor station, and the cost of such fuel or power. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

NOTE: The cost of fuel, except gas, and related fuel stock expenses shall be charged initially to appropriate fuel accounts carried in accounts 151, Fuel Stock, and 152, Fuel Stock Expenses Undistributed, and cleared to this account on the basis of fuel used. See accounts 151 and 152 for the basis of fuel costs and includible fuel stock expenses.

874 Mains and services expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating distribution system mains and services.

ITEMS

Labor:
1. Supervising.
2. Walking or patrolling lines.
3. Attending valves, lubricating valves and other equipment, blowing and cleaning lines and drips, draining water from lines, thawing freezes.
4. Taking line pressures, changing pressure charts, operating alarm gauges.
5. Building and repairing gate boxes, foot bridges, stiles, etc. used in distribution mains operations, erecting line markers and warning signs, etc.
6. Cleaning debris, cutting grass and weeds on rights-of-way.
7. Inspecting and testing equipment not specifically to determine necessity for repairs.
8. Protecting utility property during work by others.
9. Standby time of emergency crews, responding to fire calls, etc.
10. Locating and inspecting valve boxes or drip riser boxes, service lines, mains, etc.
11. Cleaning and repairing tools used in mains operations, making tool boxes, etc.
12. Cleaning structures and equipment.
13. Driving trucks used in mains and service operations.
14. Making routine leak survey.
15. Oil fogging.

Materials and expenses:
16. Line markers and warning signs.
17. Lumber, nails, etc., used in building and repairing gate boxes, foot bridges, stiles, tool boxes, etc.
18. Charts.
19. Scrubber oils.
20. Hand tools.
21. Lubricants, wiping rags, waste, etc.
22. Freight, express, parcel post, trucking and other transportation.
23. Uniforms.
24. Employee transportation and travel expenses.
25. Janitor and washroom supplies.
26. Utility services: light, water, telephone.
27. Gas used in mains operations.
28. Oil for fogging.

875 Measuring and regulating station expenses—General.

This account shall include the cost of labor, materials used and expenses incurred in operating general distribution measuring and regulating stations.

ITEMS

Labor:
1. Supervising.
2. Recording pressures and changing charts, reading meters, etc.
3. Estimating lost meter registrations, etc. except purchases and sales.
4. Calculating gas volumes from meter charts, except gas purchases and sales.
5. Adjusting and calibrating measuring equipment, changing meters, orifice plates, gauges, clocks, etc.
6. Taking and testing gas samples, inspecting and testing valves, regulators, gas sample tanks and other meter engineers' equipment, determining specific gravity and Btu content of gas.
7. Inspecting and testing equipment and instruments not specially to determine necessity for repairs, including pulsation tests.
8. Cleaning and lubricating equipment.
9. Keeping log and other operating records.
10. Attending boilers and operating other accessory equipment.
11. Installing and removing district gauges for pressure survey.
12. Thawing freeze in gauge pipe.
13. Inspecting and pumping drips, dewatering manholes and pits, inspecting sumps, cleaning pits, blowing meter drips, etc.
14. Moving equipment, minor structures, etc., not in connection with maintenance or construction.

Materials and expenses:
15. Charts and printed forms, stationery and office supplies, etc.
16. Lubricants, wiping rags, waste.
17. Uniforms.
18. Employee transportation and travel expenses.
19. Freight, express, parcel post, trucking and other transportation.
20. Utility services: light, water, telephone.

876 Measuring and regulating station expenses—Industrial.

This account shall include the cost of labor, materials used and expenses incurred in operating large measuring and regulating stations located on local distribution systems to serve specific commercial and industrial customers.

ITEMS

(See account 875 for items.)

877 Measuring and regulating station expenses—City gate check stations.

This account shall include the cost of labor, materials used and expenses incurred in operating measuring and regulating stations used to measure and regulate the receipt of gas at entry points to distribution systems.

NOTE: Pipe line companies shall include in the transmission functional classification city gate and main line industrial measuring and regulating stations, except that where pipe line companies measure deliveries of gas at entry points to their own distribution systems, they shall have the option, if consistently observed, of including such stations either in the transmission or distribution function for accounting purposes.

ITEMS

(See account 875 for items.)

878 Meter and house regulator expenses.

This account shall include the cost of labor, materials used and expenses incurred in connection with removing, resetting, changing, testing, and servicing customer meters and house regulators.

ITEMS

Labor:
(a) Removing, reinstalling, and changing or exchanging customer meters and house regulators:
1. Initiating or terminating service, including incidental meter reading.
2. Periodic replacement of meters and house regulators because of age.
3. Changing or exchanging meters and house regulators because of complaints or removal for inspection.
4. Resetting meters on existing connections.
5. Handling meters and house regulators to and from customer premises and meter shop.
6. Listing, tagging, and placing meter labels, etc., for removed and reset meters.
7. Changing position of meters or house regulators on the same premises.
8. Installing or removing blank linings.
9. Unproductive calls, etc.
(b) Turning on and turning off meters, except for failures of customers to pay bills:
10. Turning on meters, including necessary time to insure that gas lines are proper to use and that appliances are in usable condition.
11. Turning off meters including time to make safety precautions.
(c) Other:
12. Supervising.
13. Clerical work on meter history and associated equipment record cards, test cards, and reports.
14. Handling and recording meters for stock.
15. Inspecting and testing meters and house regulators.
16. Inspecting and adjusting meter testing equipment.
17. Driving trucks used in meter operations.

Materials and expenses:
18. Meter locks and seals.
19. Lubricants, wiping rags, waste, etc.
20. Uniforms.

21. Freight, express, parcel post, trucking, and other transportation.
22. Utility services: light, water, telephone, heating.
23. Office supplies, stationery and printing.
24. Employees' transportation expenses.
25. Janitor, washroom, first aid supplies, etc.

NOTE: The cost of the first setting of a meter or house regulator shall be charged to account 382, Meter Installations, or account 384, House Regulator Installations, as appropriate.

879 Customer installations expenses.

A. This account shall include the cost of labor, materials used and expenses incurred in work on customer premises other than expenses includible in account 878, Meter and House Regulator Expenses, including the cost of servicing customer-owned appliances when the cost of such work is borne by the utility.

B. Damage to customer equipment by employees of the utility whether incidental to the work or the result of negligence, shall be charged to the job on which the employee was engaged at the time of damage.

ITEMS

Labor:
1. Supervising.
2. Altering customer-owned service extensions or meter connections.
3. Investigating and correcting pressure difficulties or stoppages in customer-owned piping.
4. Adjusting and repairing burner pilots because of impurities in the gas or failure of the distribution system.
5. Oiling or spraying noisy customer meters.
6. Investigating and stopping gas leaks on customers' premises caused by defective meter, customer-owned piping, or customer appliances.
7. Inspecting new installations to determine that the customers' equipment and piping are properly installed and connected.
8. Consolidating meter installations, without change of size, due to elimination of separate meters for different service classifications.
9. Investigating and adjusting complaints of service on customers' premises.
10. Gas load surveys including the incidental preparations and replacement of meters.
11. Unproductive calls.
12. Stenographic and clerical work.
13. Janitorial services, etc.
14. Installing demand or test meters.
15. Inspecting, cleaning, repairing and adjusting customer-owned appliances for domestic, industrial, or commercial use, including house heating furnaces and other space heating appliances, hotel and restaurant appliances.
16. Replacing defective parts in customer-owned appliances and salvaging reusable appliance parts.

Materials and expenses:
17. Lubricants, wiping rags, waste, etc.
18. Uniforms.
19. Replacement parts for appliances.
20. Office supplies, printing and stationery.
21. Janitor, washroom, first aid supplies, etc.
22. Employees' transportation and travel expenses.
23. Utility services: light, water, telephone.

NOTE: Amounts billed customers for any work, the cost of which is charged to this account, shall be credited to this account. Any excess over costs resulting therefrom shall be transferred to account 488, Miscellaneous Service Revenues.

880 Other expenses.

This account shall include the cost of distribution maps and records, distribution office expenses, and the cost of labor and materials used and expenses incurred in distribution system operations not provided for elsewhere, including the expenses of operating street lighting systems.

881 Rents.

This account shall include rents for property of others used, occupied or operated in connection with the operation of the distribution system. Include herein rentals paid for regulator sites, railroad crossings, rights-of-way, annual payments to governmental bodies and others for use of public or private lands, and reservations for rights-of-way. (See operating expense instruction 3.)

MAINTENANCE

885 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of distribution system facilities. Direct field supervision of specific jobs shall be charged to the appropriate maintenance accounts. (See operating expense instruction 1.)

886 Maintenance of structures and improvements.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures, the book cost of which is includible in account 375, Structures and Improvements. (See operating expense instruction 2.)

887 Maintenance of mains.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of distribution mains, the book cost of which is includible in account 376, Mains. (See operating expense instruction 2.)

ITEMS

1. Supervising.
2. Trenching, backfilling, and breaking and restoring pavement in connection with the installation of leak or reinforcing clamps.
3. Work performed as the result of municipal improvements, such as street widening, sewers, etc., where the gas mains are not retired.
4. Municipal inspections relating to maintenance work.
5. Other work of the following character:
a. Locating leaks incident to maintenance.
b. Cutting off mains without replacement. (Minor cuts not retired.)
c. Repairing leaking joints.
d. Repairing broken mains.
e. Repairing leaks on main drip riser or valve test pipe.
f. Bringing main valve box, main drip riser box, valve test pipe box, or pressure pipe roadway box up to grade.
g. Cleaning, repainting, coating, and wrapping exposed mains.
h. Repacking main valves.
i. Locating and clearing gas main faults.
j. Lowering and changing location of mains.
k. Trenching, backfilling, cutting-in or removal of pipe not retired in connection with the installation of leak clamps, valves, or drips.
l. Watching and lamping open cuts associated with maintenance.
m. Restoration of permanent pavement in connection with work chargeable to maintenance.
n. Emergency stand-by time associated with maintenance.
o. Repairing sewers, drains, walls, etc., when damaged by maintenance work.
p. Making electrolysis tests to maintain life of plant.
q. Repairing property of others damaged by maintenance work.

888 Maintenance of compressor station equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 377, Compressor Station Equipment. (See operating expense instruction 2.)

889 Maintenance of measuring and regulating station equipment—General.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 378, Measuring and Regulating Station Equipment—General. (See operating expense instruction 2.)

890 Maintenance of measuring and regulating station equipment—Industrial.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 385, Industrial Measuring and Regulating Station Equipment. (See operating expense instruction 2.)

891 Maintenance of measuring and regulating station equipment—City gate check stations.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of equipment, the book cost of which is includible in account 379, Measuring and Regulating Station Equipment—City Gate Check Stations. (See operating expense instruction 2.)

892 Maintenance of services.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of services, the book cost of which is includible in account 380, Services. (See operating expense instruction 2.)

ITEMS

1. Supervising.
2. Testing pipe for leaks and condition of wrapping.
3. Testing for, locating, and clearing trouble on company maintained services.
4. Inspecting and testing after repairs have been made.
5. Reporting on the condition of gas services to determine the need for repairs.
6. Making minor repairs and changes.
7. Rearranging and changing the location of services not retired.
8. Repairing service valves for reuse.
9. Stopping leaks on service pipes and drip risers.
10. Lowering and raising curb boxes to grade.
11. Replacing less than a complete service, when not retired.

12. Installing fittings, valves, drips, frost protection devices, or replacing similar items on existing services.
13. Cutting and replacing pavement, pavement base and sidewalks in connection with maintenance work.
14. Restoring condition of services damaged by fire, storm, leakage, flood, accident or other casualties.
15. Repairing property of others damaged by maintenance work.
16. Transferring services in connection with the installation of new mains.
17. Installing, maintaining, and removing temporary facilities to prevent the interruption of service.
18. Converting low pressure gas distribution service to medium or high pressure service.
19. Relocating and rerouting gas service temporarily during alterations of buildings.
20. Performing work resulting from municipal improvements, such as street widening, sewers, etc.
21. Replacing service valve box or drip riser box.
22. Installing, removing or replacing service valve, drip pot, or drip riser.
23. Repacking service valve.

893 Maintenance of meters and house regulators.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of meters and house regulators, the book cost of which is includible in accounts 381, Meters, and 383, House Regulators. (See operating expense instruction 2.)

ITEMS

1. Inspecting and testing meters and house regulators on customers' premises or in shops in connection with repairs.
2. Cleaning, repairing, and painting meters, house regulators, and accessories and equipment.
3. Repairing testing equipment.
4. Rebuilding and overhauling meters without changing their rated capacities.
5. Resealing house regulators with mercury, replacing diaphragms, springs and other defective or worn parts.
6. Replacing or adding any item not constituting a retirement unit.

894 Maintenance of other equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of street lighting equipment and all other distribution system equipment not provided for elsewhere, the book cost of which is includible in accounts 386, Other Property on Customers' Premises, and 387, Other Equipment. (See operating expense instruction 2.)

6. CUSTOMER ACCOUNTS EXPENSES

Operation

901 Supervision.

This account shall include the cost of labor and expenses incurred in the general direction and supervision of customer accounting and collecting activities. Direct supervision of a specific activity shall be charged to account 902, Meter Reading Expenses, or account 903, Customer Records and Collection Expenses, as appropriate. (See operating expense instruction 1.)

902 Meter reading expenses.

This account shall include the cost of labor, materials used and expenses incurred in reading customer meters, and determining consumption when performed by employees engaged in reading meters.

ITEMS

Labor:
1. Addressing forms for obtaining meter readings by mail.
2. Changing and collecting meter charts used for billing purposes.
3. Inspecting time clocks, checking seals, etc., when performed by meter readers and the work represents a minor activity incidental to regular meter reading routine.
4. Meter reading—small consumption, and obtaining load information for billing purposes. (Exclude and charge to account 878, Meter and House Regulator Expenses, or to account 903, Customer Records and Collection Expenses, as applicable, the cost of obtaining meter readings, first and final, if incidental to the operation of removing or resetting, sealing or locking, and disconnecting, or reconnecting meters.)
5. Measuring gas—large consumption, including reading meters, changing charts, calculating charts, estimating lost meter registrations, determining specific gravity, etc., for billing purposes.
6. Computing consumption from meter reader's book or from reports by mail when done by employees engaged in reading meters.
7. Collecting from prepayment meters when incidental to meter reading.
8. Maintaining record of customers' keys.
9. Computing estimated or average consumption when performed by employees engaged in reading meters.

Materials and expenses:
10. Badges, lamps, and uniforms.
11. Demand charts, meter books and binders and forms for recording readings, but not the cost of preparation.
12. Postage and supplies used in obtaining meter readings by mail.
13. Transportation, meals, and incidental expenses.

903 Customer records and collection expenses.

This account shall include the cost of labor, materials used and expenses incurred in work on customer applications, contracts, orders, credit investigations, billing and accounting, collections and complaints.

ITEMS

Labor:
1. Receiving, preparing, recording and handling routine orders for service, disconnections, transfers or meter tests initiated by the customer, excluding the cost of carrying out such orders, which is chargeable to the account appropriate for the work called for by such orders.
2. Investigations of customers' credit and keeping of records pertaining thereto, including records of uncollectible accounts written off.
3. Receiving, refunding or applying customer deposits and maintaining customer deposit, line extension, and other miscellaneous records.
4. Checking consumption shown by meter readers' reports where incidental to preparation of billing data.
5. Preparing address plates and addressing bills and delinquent notices.
6. Preparing billing data.
7. Operating billing and bookkeeping machines.
8. Verifying billing records with contracts or rate schedules.
9. Preparing bills for delivery, and mailing or delivering bills.
10. Collecting revenues, including collection from prepayment meters unless incidental to meter reading operations.
11. Balancing collections, preparing collections for deposit, and preparing cash reports.
12. Posting collections and other credits or charges to customer accounts and extending unpaid balances.
13. Balancing customer accounts and controls.
14. Preparing, mailing, or delivering delinquent notices and preparing reports of delinquent accounts.
15. Final meter reading of delinquent accounts when done by collectors incidental to regular activities.
16. Disconnecting and reconnecting services because of nonpayment of bills.
17. Receiving, recording, and handling of inquiries, complaints, and requests for investigations from customers, including preparation of necessary orders, but excluding the cost of carrying out such orders, which is chargeable to the account appropriate for the work called for by such orders.
18. Statistical and tabulating work on customer accounts and revenues, but not including special analyses for sales department, rate department, or other general purposes, unless incidental to regular customer accounting routines.
19. Preparing and periodically rewriting meter reading sheets.
20. Determining consumption and computing estimated or average consumption when performed by employees other than those engaged in reading meters.

Materials and expenses:
21. Address plates and supplies.
22. Cash overages and shortages.
23. Commissions or fees to others for collecting.
24. Payments to credit organizations for investigations and reports.
25. Postage.
26. Transportation expenses, including transportation of customer bills and meter books under centralized billing procedure.
27. Transportation, meals, and incidental expenses.
28. Bank charges, exchange, and other fees for cashing and depositing customers' checks.
29. Forms for recording orders for services, removals, etc.
30. Rent of mechanical equipment.

NOTE: The cost of work on meter history and meter location records is chargeable to account 878, Meter and House Regulator Expenses.

904 Uncollectible accounts.

This account shall be charged with amounts sufficient to provide for losses from uncollectible utility revenues. Concurrent credits shall be made to account 144, Accumulated Provision for Uncollectible Accounts—Credit. Losses from uncollectible accounts shall be charged to account 144.

905 Miscellaneous customer accounts expenses.

This account shall include the cost of labor, materials used and expenses incurred not provided for in other accounts.

ITEMS

Labor:
1. General clerical and stenographic work.
2. Miscellaneous labor.

Materials and expenses:
3. Communication service.
4. Miscellaneous office supplies and expenses and stationery and printing other than those specifically provided for in accounts 902 and 903.

7. Sales Expenses

Operation

911 Supervision.

This account shall include the cost of labor and expenses incurred in the general direction and supervision of sales activities, except merchandising. Direct supervision of a specific activity, such as demonstrating, selling, or advertising shall be charged to the account wherein the costs of such activity are included. (See operating expense instruction 1.)

912 Demonstrating and selling expenses.

This account shall include the cost of labor, materials used and expenses incurred in promotional, demonstrating, and selling activities, except by merchandising, the object of which is to promote or retain the use of utility services by present and prospective customers.

Items

Labor:

1. Demonstrating uses of utility services.
2. Conducting cooking schools, preparing recipes, and related home service activities.
3. Exhibitions, displays, lectures, and other programs designed to promote use of utility services.
4. Experimental and development work in connection with new and improved appliances and equipment, prior to general public acceptance.
5. Solicitation of new customers or of additional business from old customers, including commissions paid employees.
6. Engineering and technical advice to present or prospective customers in connection with promoting or retaining the use of utility services.
7. Special customer canvasses when their primary purpose is the retention of business or the promotion of new business.

Materials and expenses:

8. Supplies and expenses pertaining to demonstration, and experimental and development activities.
9. Booth and temporary space rental.
10. Loss in value on equipment and appliances used for demonstration purposes.
11. Transportation, meals, and incidental expenses.

913 Advertising expenses.

This account shall include the cost of labor, materials used and expenses incurred in advertising designed to promote or retain the use of utility service, except advertising the sale of merchandise by the utility.

Items

Labor:

1. Direct supervision of department.
2. Preparing advertising material for newspapers, periodicals, billboards, etc., and preparing and conducting motion pictures, radio and television programs.
3. Preparing booklets, bulletins, etc., used in direct mail advertising.
4. Preparing window and other displays.
5. Clerical and stenographic work.
6. Investigating advertising agencies and media and conducting negotiations in connection with the placement and subject matter of sales advertising.

Materials and expenses:

7. Advertising in newspapers, periodicals, billboards, radio, etc., for sales promotion purposes, but not including institutional or goodwill advertising includible in account 930, Miscellaneous General Expenses.
8. Materials and services given as prizes or otherwise in connection with canning, or cooking contests, bazaars, etc., in order to publicize and promote the use of utility services.
9. Fees and expenses of advertising agencies and commercial artists.
10. Novelties for general distribtuion.
11. Postage on direct mail advertising.
12. Premiums distributed generally, such as recipe books, etc., when not offered as inducement to purchase appliances.
13. Printing booklets, dodgers, bulletins, etc.
14. Supplies and expenses in preparing advertising material.
15. Office supplies and expenses.

Note A: The cost of advertisements which set forth the value or advantages of utility service without reference to specific appliances, or, if reference is made to appliances, invites the reader to purchase appliances from his dealer, or refer to appliances not carried for sale by the utility, shall be considered sales promotion advertising and charged to this account. However, advertisements which are limited to specific makes of appliances sold by the utility and prices, terms, etc., thereof, without referring to the value or advantages of utility service, shall be considered as merchandise advertising and the cost shall be charged to Costs and Expenses of Merchandising, Jobbing and Contract Work, accounts 416 or 915, as appropriate.

Note B: Advertisements which substantially mention or refer to the value or advantages of utility service, together with specific reference to makes of appliances sold by the utility and the price, terms, etc., thereof, and designed for the joint purpose of increasing the use of utility service and the sales of appliances, shall be considered as a combination advertisement and the costs shall be distributed between this account and accounts 416 or 915, as appropriate, on the basis of space, time, or other proportional factors.

Note C: Exclude from this account and charge to account 930, Miscellaneous General Expenses, the cost of publication of stockholder reports, dividend notices, bond redemption notices, financial statements, and other notices of a general corporate character. Exclude also all institutional or good will advertising. (See account 930, Miscellaneous General Expenses.)

914 Revenues from merchandising, jobbing, and contract work.

915 Costs and expenses of merchandising, jobbing, and contract work.

A. These accounts shall include respectively all revenues derived from the sale of merchandise and jobbing or contract work, including any profit or commission accruing to the utility on jobbing work performed by it as agent under contracts whereby it does jobbing work for another for a stipulated profit or commission and all expenses incurred in such activities.

B. Records in support of these accounts shall be so kept as to permit ready summarization of revenues, costs and expenses by such major items as are feasible.

Note: Revenues and expenses of merchandising, jobbing, and contract work shall be reported in this account, if a state regulatory body having jurisdiction over the utility requires such income to be reported as an operating expense item; but the revenues and expenses shall be reported in accounts 415 and 416, if such regulatory body requires the net income to be reported as nonoperating income. In the absence of a requirement by a state regulatory body, the utility may use these accounts or accounts 415 and 416 at its option in which case the practice of the utility must be consistent.

Items

Account 914

1. Revenues from sale of merchandise and from jobbing and contract work.
2. Discounts and allowances made in settlement of bills for merchandise and jobbing work.

Account 915

Labor:

1. Canvassing and demonstrating appliances in homes and other places for the purpose of selling appliances.
2. Demonstrating and selling activities in sales rooms.
3. Installing appliances on customer premises where such work is done only for purchasers of appliances from the utility.
4. Installing pipe, or other property work on a jobbing or contract basis.
5. Preparing advertising materials for appliance sales purposes.
6. Receiving and handling customer orders for merchandise or for jobbing services.
7. Cleaning and tidying sales rooms.
8. Maintaining display counters and other equipment used in merchandising.
9. Arranging merchandise in sales rooms and decorating display windows.
10. Reconditioning repossessed appliances.
11. Bookkeeping and other clerical work in connection with merchandise and jobbing activities.
12. Supervising merchandise and jobbing operations.

Materials and expenses:

13. Advertising in newspapers, periodicals, radio, television, etc.
14. Cost of merchandise sold and of materials used in jobbing work.
15. Stores expenses on merchandise and jobbing stocks.
16. Fees and expenses of advertising and commercial artists' agencies.
17. Printing booklets, dodgers, and other advertising data.
18. Premiums given as inducement to buy appliances.
19. Light, heat, and power.
20. Rent of sales rooms or of equipment.
21. Transportation expense in delivery and pick-up of appliances by utility's facilities or by others.
22. Stationery and office supplies and expenses.
23. Taxes directly assignable to merchandise and jobbing operations.
24. Losses from uncollectible merchandise and jobbing accounts.

916 Miscellaneous sales expenses.

This account shall include the cost of labor, materials used and expenses incurred in connection with sales activities, except merchandising, which are not includible in other sales expense accounts.

Items

Labor:

1. General clerical and stenographic work not assigned to specific functions.
2. Special analysis of customer accounts and other statistical work for sales purposes not a part of the regular customer accounting and billing routine.
3. Miscellaneous labor.

Materials and expenses:

4. Communication service.
5. Printing, postage, and office supplies and expenses applicable to sales activities, except those chargeable to account 913, Advertising Expenses.

8. Administrative and General Expenses

Operation

920 Administrative and general salaries.

A. This account shall include the compensation (salaries, bonuses, and other consideration for services, but not including directors' fees) of officers, executives, and other employees of the utility properly chargeable to utility operations and not chargeable directly to a particular operating function.

B. This account may be subdivided in accordance with a classification appropriate to the departmental or other functional organization of the utility.

921 Office supplies and expenses.

A. This account shall include office supplies and expenses incurred in connection with the general administration of the utility's operations which are assignable to specific administrative or general departments and are not specifically provided for in other accounts. This includes the expenses of the various administrative and general departments, the salaries and wages of which are includible in account 920.

B. This account may be subdivided in accordance with a classification appropriate to the departmental or other functional organization of the utility.

Note. Office expenses which are clearly applicable to any group of operating expenses other than the administrative and general group shall be included in the appropriate account in such group. Further, general expenses which apply to the utility as a whole rather than to a particular administrative function shall be included in account 930, Miscellaneous General Expenses.

Items

1. Automobile service, including charges through clearing account.
2. Bank messenger and service charges.
3. Books, periodicals, bulletins and subscriptions to newspapers, newsletters, tax services, etc.
4. Building service expenses for customer accounts, sales, and administrative and general purposes.
5. Communication service expenses.
6. Cost of individual items of office equipment used by general departments which are of small value or short life.
7. Membership fees and dues in trade, technical, and professional associations paid by utility for employees. (Company memberships are includible in account 930.)
8. Office supplies and expenses.
9. Payment of court costs, witness fees, and other expenses of legal department.
10. Postage, printing and stationery.
11. Meals, traveling and incidental expenses.

922 Administrative expenses transferred—Credit.

This account shall be credited with administrative expenses recorded in accounts 920 and 921 which are transferred to construction costs or to nonutility accounts. (See gas plant instruction 4.)

923 Outside services employed.

A. This account shall include the fees and expenses of professional consultants and others for general services which are not applicable to a particular operating function or to other accounts. It shall include also the pay and expenses of persons engaged for a special or temporary administrative or general purpose in circumstances where the person so engaged is not considered as an employee of the utility.

B. This account shall be so maintained as to permit ready summarization according to the nature of service and the person furnishing the same.

Items

1. Fees, pay and expenses of accountants and auditors, actuaries, appraisers, attorneys, engineering consultants, management consultants, negotiators, public relations counsel, tax consultants, etc.
2. Supervision fees and expenses paid under contracts for general management services.

Note: Do not include inspection and brokerage fees and commissions chargeable to other accounts or fees and expenses in connection with security issues which are includible in the expenses of issuing securities.

924 Property insurance.

A. This account shall include the cost of insurance or reserve accruals to protect the utility against losses and damages to owned or leased property used in its utility operations. It shall include also the cost of labor and related supplies and expenses incurred in property insurance activities.

B. Recoveries from insurance companies or others for property damages shall be credited to the account charged with the cost of the damage. If the damaged property has been retired, the credit shall be to the appropriate account for accumulated provision for depreciation.

C. Records shall be kept so as to show the amount of coverage for each class of insurance carried, the property covered, and the applicable premiums. Any dividends distributed by mutual insurance companies shall be credited to the accounts to which the insurance premiums were charged.

Items

1. Premiums payable to insurance companies for fire, storm, burglary, boiler explosion, lightning, fidelity, riot, and similar insurance.
2. Amounts credited to account 261, Property Insurance Reserve, for similar protection.
3. Special costs incurred in procuring insurance.
4. Insurance inspection service.
5. Insurance counsel, brokerage fees, and expenses.

Note A: The cost of insurance or reserve accruals capitalized shall be charged to construction either directly or by transfer to construction work orders from this account.

Note B: The cost of insurance or reserve accruals for the following classes of property shall be charged as indicated.

(1) Materials and supplies and stores equipment, to account 163, Stores Expense Undistributed or appropriate materials account.

(2) Transportation and other general equipment to appropriate clearing accounts that may be maintained.

(3) Gas plant leased to others, to account 413, Expenses of Gas Plant Leased to Others.

(4) Nonutility property, to the appropriate nonutility income account.

(5) Merchandise and jobbing property, to account 416, Costs and Expenses of Merchandising, Jobbing and Contract Work, or account 915, as appropriate.

Note C: The cost of labor and related supplies and expenses of administrative and general employees, who are only incidentally engaged in property insurance work, may be included in accounts 920 and 921, as appropriate.

925 Injuries and damages.

A. This account shall include the cost of insurance or reserve accruals to protect the utility against injuries and damages claims of employees or others, losses of such character not covered by insurance, and expenses incurred in settlement of injuries and damages claims. It shall also include the cost of labor and related supplies and expenses incurred in injuries and damages activities.

B. Reimbursements from insurance companies or others for expenses charged hereto on account of injuries and damages and insurance dividends or refunds shall be credited to this account.

Items

1. Premiums payable to insurance companies for protection against claims from injuries and damages by employees or others, such as public liability, property damages, casualty, employee liability, etc., and amounts credited to account 262, Injuries and Damages Reserve, for similar protection.
2. Losses not covered by insurance or reserve accruals on account of injuries or deaths to employees or others and damages to the property of others.
3. Fees and expenses of claim investigators.
4. Payment of awards to claimants for court costs and attorneys' services.
5. Medical and hospital service and expenses for employees as the result of occupational injuries, or resulting from claims of others.
6. Compensation payments under workmen's compensation laws.
7. Compensation paid while incapacitated as the result of occupational injuries. (See Note A.)
8. Cost of safety, accident prevention and similar educational activities.

Note A: Payments to or in behalf of employees for accident or death benefits, hospital expenses, medical supplies or for salaries while incapacitated for service or on leave of absence beyond periods normally allowed, when not the result of ocupational injuries, shall be charged to account 926, Employee Pensions and Benefits. (See also Note B of account 926.)

Note B: The cost of injuries and damages or reserve accruals capitalized shall be charged to construction directly or by transfer to construction work orders from this account.

Note C: Exclude herefrom the time and expenses of employees (except those engaged in injuries and damages activities) spent in attendance at safety and accident prevention educational meetings, if occurring during the regular work period.

Note D: The cost of labor and related supplies and expenses of administrative and general employees, who are only incidentally engaged in injuries and damages activities, may be included in accounts 920 and 921, as appropriate.

926 Employee pensions and benefits.

A. This account shall include pensions paid to or on behalf of retired employees, or accruals to provide for pensions, or payments for the purchase of annuities for this purpose, when the utility has definitely, by contract, committed itself to a pension plan under which the pension funds are irrevocably devoted to pension purposes, and payments for em-

ployee accident, sickness, hospital, and death benefits, or insurance therefor. Include, also, expenses incurred in medical, educational or recreational activities for the benefit of employees, and administrative expenses in connection with employee pensions and benefits.

B. The utility shall maintain a complete record of accruals or payments for pensions and be prepared to furnish full information to the Commission of the plan under which it has created or proposes to create a pension fund and a copy of the declaration of trust or resolution under which the pension plan is established.

C. There shall be credited to this account the portion of pensions and benefits expenses which is applicable to nonutility operations or which is charged to construction unless such amounts are distributed directly to the accounts involved and are not included herein in the first instance.

D. Records in support of this account shall be so kept that the total pensions expense, the total benefits expense, the administrative expenses included herein, and the amounts of pensions and benefits expenses transferred to construction or other accounts will be readily available.

ITEMS

1. Payment of pensions under a nonaccrual or nonfunded basis.
2. Accruals for or payments to pension funds or to insurance companies for pension purposes.
3. Group and life insurance premiums (credit dividends received).
4. Payments for medical and hospital services and expenses of employees when not the result of occupational injuries.
5. Payments for accident, sickness, hospital, and death benefits or insurance.
6. Payments to employees incapacitated for service or on leave of absence beyond periods normally allowed, when not the result of occupational injuries, or in excess of statutory awards.
7. Expenses in connection with educational and recreational activities for the benefit of employees.

NOTE A: The cost of labor and related supplies and expenses of administrative and general employees who are only incidentally engaged in employee pension and benefit activities, may be included in accounts 920 and 921, as appropriate.

NOTE B: Salaries paid to employees during periods of nonoccupational sickness may be charged to the appropriate labor account rather than to employee benefits.

927 Franchise requirements.

A. This account shall include payments to municipal or other governmental authorities, and the cost of materials, supplies and services furnished such authorities without reimbursement in compliance with franchise, ordinance, or similar requirements; provided, however, that the utility may charge to this account at regular tariff rates, instead of cost, utility service furnished without charge under provisions of franchises.

B. When no direct outlay is involved, concurrent credit for such charges shall be made to account 929, Duplicate Charges—Cr.

C. The account shall be maintained so as to readily reflect the amounts of cash outlays, utility service supplied without charge, and other items furnished without charge.

NOTE A: Franchise taxes shall not be charged to this account but to account 408, Taxes Other Than Income Taxes.

NOTE B: Any amount paid as initial consideration for a franchise running for more than one year shall be charged to account 302, Franchises and Consents.

928 Regulatory commission expenses.

A. This account shall include all expenses (except pay of regular employees only incidentally engaged in such work) properly includible in utility operating expenses, incurred by the utility in connection with formal cases before regulatory commissions, or other regulatory bodies, or cases in which such a body is a party, including payments made to a regulatory commission for fees assessed against the utility for pay and expenses of such commission, its officers, agents, and employees.

B. Amounts of regulatory commission expenses which by approval or direction of the Commission are to be spread over future periods shall be charged to account 186, Miscellaneous Deferred Debits, and amortized by charges to this account.

C. The utility shall be prepared to show the cost of each formal case.

ITEMS

1. Salaries, fees, retainers, and expenses of counsel, solicitors, attorneys, accountants, engineers, clerks, attendants, witnesses, and others engaged in the prosecution of, or defense against petitions or complaints presented to regulatory bodies, or in the valuation of property owned or used by the utility in connection with such cases.
2. Office supplies and expenses, payments to public service or other regulatory commissions, stationery and printing, traveling expenses, and other expenses incurred directly in connection with formal cases before regulatory commissions.

NOTE A: Exclude from this account and include in other appropriate operating expense accounts, expenses incurred in the improvement of service, additional inspection, or rendering reports, which are made necessary by the rules and regulations, or orders, of regulatory bodies.

NOTE B: Do not include in this account amounts includible in account 302, Franchises and Consents, account 181, Unamortized Debt Discount and Expense, or account 214, Capital Stock Expense.

929 Duplicate charges—Credit.

This account shall include concurrent credits for charges which may be made to operating expenses or to other accounts for the use of utility service from its own supply. Include, also, offsetting credits for any other charges made to operating expenses for which there is no direct money outlay.

930 Miscellaneous general expenses.

This account shall include the cost of labor and expenses incurred in connection with the general management of the utility not provided for elsewhere.

ITEMS

Labor:

1. Miscellaneous labor not elsewhere provided for:

Expenses:

2. Industry Association dues for company memberships.
3. Contributions for conventions and meetings of the industry.
4. Experimental and general research work for the industry.
5. Communication service not chargeable to other accounts.
6. Trustee, registrar, and transfer agent fees and expenses.
7. Stockholders meeting expenses.
8. Dividend and other financial notices.
9. Printing and mailing dividend checks.
10. Directors' fees and expenses.
11. Publishing and distributing annual reports to stockholders.
12. Institutional or good will advertising.
13. Public notices of financial, operating, and other data required by regulatory statutes, not including, however, notices required in connection with security issues or acquisitions of property.

931 Rents.

This account shall include rents properly includible in utility operating expenses for the property of others used, occupied, or operated in connection with the customer accounts, sales, and general and administrative functions of the utility. (See operating expense instruction 3.)

Maintenance

932 Maintenance of general plant.

A. This account shall include the cost assignable to customer accounts, sales and administrative and general functions of labor, materials used and expenses incurred in the maintenance of property, the book cost of which is includible in account 390, Structures and Improvements, account 391, Office Furniture and Equipment, account 397, Communication Equipment, and account 398, Miscellaneous Equipment. (See operating expense instruction 2.)

B. Maintenance expenses on office furniture and equipment used elsewhere than in general, commercial and sales offices shall be charged to the following accounts:

Manufactured Gas Production, account 708, 742.
Natural Gas Production and Gathering, account 769.
Natural Gas Products Extraction, account 791.
Underground Storage, account 837.
Local Storage, account 846.
Transmission Expenses, account 867.
Distribution Expenses, account 894.
Merchandise and Jobbing, account 416 or account 915.
Garages, Shops, etc., appropriate clearing account, if used.

NOTE. Maintenance of plant included in other general equipment accounts shall be included herein unless charged to clearing accounts or to the particular functional maintenance expense account indicated by the use of the equipment.

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